

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HOUSE BILL 38

55TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2022

INTRODUCED BY

Anthony Allison

AN ACT

RELATING TO TAXATION; EXPANDING THE RURAL HEALTH CARE PRACTITIONER TAX CREDIT TO APPLY TO ALL REGISTERED NURSES, LICENSED MIDWIVES AND CHIROPRACTIC PHYSICIANS AND EMERGENCY MEDICAL SERVICES FIRST RESPONDERS AND ESSENTIAL HEALTH CARE WORKERS WHO PROVIDED ASSISTANCE DURING THE CORONAVIRUS DISEASE 2019 PANDEMIC; PROVIDING REPORTING REQUIREMENTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 7-2-18.22 NMSA 1978 (being Laws 2007, Chapter 361, Section 2) is amended to read:

"7-2-18.22. [~~TAX CREDIT~~] RURAL HEALTH CARE PRACTITIONER TAX CREDIT.--

A. A taxpayer who files an individual New Mexico tax return, who is not a dependent of another individual, who is an eligible health care practitioner and who has provided .221652.2

underscoring material = new
~~[bracketed material] = delete~~

underscoring material = new
~~[bracketed material] = delete~~

1 health care services in New Mexico in a rural health care
2 underserved area in a taxable year may claim a credit against
3 the tax liability imposed by the Income Tax Act. The credit
4 provided in this section may be referred to as the "rural
5 health care practitioner tax credit".

6 B. The rural health care practitioner tax credit
7 may be claimed and allowed in an amount that shall not exceed
8 five thousand dollars (\$5,000) for all eligible physicians,
9 osteopathic physicians, dentists, clinical psychologists,
10 podiatrists and optometrists who qualify pursuant to the
11 provisions of this section, except the credit shall not exceed
12 three thousand dollars (\$3,000) for all eligible dental
13 hygienists, physician assistants, ~~[certified nurse-midwives,~~
14 ~~certified registered nurse anesthetists, certified nurse~~
15 ~~practitioners and clinical nurse specialists]~~ midwives licensed
16 by the department of health, registered nurses and chiropractic
17 physicians and emergency medical services first responders and
18 essential health care workers who provided assistance to other
19 eligible health care practitioners during the coronavirus
20 disease 2019 pandemic.

21 C. To qualify for the rural health care
22 practitioner tax credit, an eligible health care practitioner
23 shall have provided health care during a taxable year for at
24 least two thousand eighty hours at a practice site located in
25 an approved, rural health care underserved area. An eligible

.221652.2

underscoring material = new
~~[bracketed material] = delete~~

1 rural health care practitioner who provided health care
2 services for at least one thousand forty hours but less than
3 two thousand eighty hours at a practice site located in an
4 approved rural health care underserved area during a taxable
5 year is eligible for one-half of the credit amount.

6 D. Before an eligible health care practitioner may
7 claim the rural health care practitioner tax credit, the
8 practitioner shall submit an application to the department of
9 health that describes the practitioner's clinical practice and
10 contains additional information that the department of health
11 may require. The department of health shall determine whether
12 an eligible health care practitioner qualifies for the rural
13 health care practitioner tax credit and shall issue a
14 certificate to each qualifying eligible health care
15 practitioner. The department of health shall provide the
16 taxation and revenue department appropriate information for all
17 eligible health care practitioners to whom certificates are
18 issued.

19 E. A taxpayer claiming the credit provided by this
20 section shall submit a copy of the certificate issued by the
21 department of health with the taxpayer's New Mexico income tax
22 return for the taxable year. If the amount of the credit
23 claimed exceeds a taxpayer's tax liability for the taxable year
24 in which the credit is being claimed, the excess may be carried
25 forward for three consecutive taxable years.

.221652.2

underscored material = new
[bracketed material] = delete

1 F. As used in this section:

2 (1) "coronavirus disease 2019 pandemic" means
3 the period of time during the existence of a state of public
4 health emergency, as declared by the governor pursuant to
5 Section 12-10A-5 NMSA 1978, related to the coronavirus disease
6 2019;

7 ~~(1)~~ (2) "eligible health care practitioner"
8 means:

9 ~~(a) a certified nurse-midwife licensed~~
10 ~~by the board of nursing as a registered nurse and licensed by~~
11 ~~the public health division of the department of health to~~
12 ~~practice nurse-midwifery as a certified nurse-midwife;~~

13 ~~(b)~~ (a) a dentist or dental hygienist
14 licensed pursuant to the Dental Health Care Act;

15 ~~(c)~~ (b) an optometrist licensed
16 pursuant to the provisions of the Optometry Act;

17 ~~(d)~~ (c) an osteopathic physician
18 ~~[licensed pursuant to the provisions of Chapter 61, Article 10~~
19 ~~NMSA 1978] or an osteopathic physician assistant licensed~~
20 ~~pursuant to the provisions of the [Osteopathic Physicians'~~
21 ~~Assistants] Medical Practice Act;~~

22 ~~(e)~~ (d) a physician or physician
23 assistant licensed pursuant to the provisions of ~~[Chapter 61,~~
24 ~~Article 6 NMSA 1978] the Medical Practice Act;~~

25 ~~(f)~~ (e) a podiatrist licensed pursuant

.221652.2

underscoring material = new
[bracketed material] = delete

1 to the provisions of the Podiatry Act;

2 ~~[(g)]~~ (f) a clinical psychologist
3 licensed pursuant to the provisions of the Professional
4 Psychologist Act; ~~[and~~

5 ~~(h) a registered nurse in advanced~~
6 ~~practice who has been prepared through additional formal~~
7 ~~education as provided in Sections 61-3-23.2 through 61-3-23.4~~
8 ~~NMSA 1978 to function beyond the scope of practice of~~
9 ~~professional registered nursing, including certified nurse~~
10 ~~practitioners, certified registered nurse anesthetists and~~
11 ~~clinical nurse specialists;]~~

12 (g) a midwife licensed by the department
13 of health;

14 (h) a registered nurse licensed pursuant
15 to the Nursing Practice Act;

16 (i) a chiropractic physician licensed
17 pursuant to the Chiropractic Physician Practice Act; and

18 (j) an emergency medical services first
19 responder or an essential health care worker who provided
20 assistance to other eligible health care practitioners during
21 the coronavirus disease 2019 pandemic;

22 (3) "emergency medical services first
23 responder" means a person who is licensed by the department of
24 health and who is employed as a full-time non-volunteer within
25 the emergency medical services system to provide initial

.221652.2

underscored material = new
[bracketed material] = delete

1 emergency aid;

2 (4) "essential health care worker" means an
3 individual who performs services that are essential to continue
4 critical operations of a hospital or a clinic, including
5 custodial and security staff;

6 [~~(2)~~] (5) "health care underserved area" means
7 a geographic area or practice location in which it has been
8 determined by the department of health, through the use of
9 indices and other standards set by the department of health,
10 that sufficient health care services are not being provided;

11 [~~(3)~~] (6) "practice site" means a private
12 practice, public health clinic, hospital, public or private
13 nonprofit primary care clinic or other health care service
14 location in a health care underserved area; and

15 [~~(4)~~] (7) "rural" means an area or location
16 identified by the department of health as falling outside of an
17 urban area.

18 G. The department shall compile an annual report on
19 the deductions provided by this section that shall include the
20 number of taxpayers approved by the department to receive the
21 deductions, the aggregate amount of deductions approved and any
22 other information necessary to evaluate the effectiveness of
23 the deductions. Beginning in 2022 and every year thereafter
24 that the deductions are in effect, the department shall compile
25 and present the annual reports to the revenue stabilization and

.221652.2

1 tax policy committee and the legislative finance committee with
2 an analysis of the effectiveness and cost of the deductions."

3 SECTION 2. APPLICABILITY.--The provisions of this act
4 apply to taxable years beginning on or after January 1, 2022.

5 - 7 -
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

underscoring material = new
[bracketed material] = delete