

**BILL ANALYSIS AND FISCAL IMPACT REPORT**  
**Taxation and Revenue Department**

**January 19, 2024**

**Bill:** SB-36

**Sponsor:** Senator Mark Moores

**Short Title:** Health Care Services Gross Receipts

**Description:** This bill amends Section 7-9-93 NMSA 1978 to clarify the definition of copayments that are eligible for the health practitioner gross receipts tax deduction. It also adds clarifying language to Subsection B.

**Effective Date:** Not specified; 90 days following adjournment (May 15, 2024).

**Taxation and Revenue Department Analyst:** Pedro Clavijo

Estimated Revenue Impact*					R or NR**	Fund(s) Affected
FY2024	FY2025	FY2026	FY2027	FY2028		
No impact					--	General Fund
No impact					--	Local Governments

\* In thousands of dollars. Parentheses ( ) indicate a revenue loss. \*\* Recurring (R) or Non-Recurring (NR).

**Methodology for Estimated Revenue Impact:** There is no fiscal impact from the proposed changes as taxpayers are currently claiming the deduction as intended.

**Policy Issues:** The bill makes technical changes to 7-9-93 NMSA 1978 to clarify the definition of “copayment”. Currently “copayment and “deductible” are included in the same definition, but they are two separate types of financial healthcare payments. This bill will ensure that taxpayers have distinct and industry-accurate definitions for both types of deductible amounts.

**Technical Issues:** None.

**Other Issues:** Tax & Rev is now required by Section 7-1-84 NMSA 1978 (Laws 2023) to compile and present a tax expenditure budget, which includes the number of taxpayers that claim and the amount of claims for a tax expenditure. Deductions are seen as a tax expenditure and will be included on this report. For that reason, page 2, lines 20 through 25 and page 3, lines 1 through 3 may be stricken in full.

**Administrative & Compliance Impact:** None.

**Related Bills:** None.