SENATE BILL 298

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

Nicole Tobiassen and Pat Woods and Jay C. Block

and David M. Gallegos

AN ACT

RELATING TO TAXATION; EXEMPTING HEALTH CARE PRACTITIONERS FROM INCOME TAX FOR TEN YEARS.

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

SECTION 1. A new section of the Income Tax Act is enacted to read:

"[NEW MATERIAL] EXEMPTION--HEALTH CARE PRACTITIONERS.--

A. For taxable years ending prior to January 1, 2035, a resident who is a health care practitioner and practices full-time in New Mexico is exempt from income tax on income derived from providing health care in New Mexico within the scope of the health care practitioner's practice.

B. The credit provided by this section shall be included in the tax expenditure budget pursuant to Section 7-1-84 NMSA 1978, including the annual aggregate cost of the

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1   credit.

2   C.   As used in this section, "health care

3   practitioner" means:

4   (1)   a chiropractic physician licensed pursuant

5   to the provisions of the Chiropractic Physician Practice Act;

6   (2)   a dentist or dental hygienist licensed

7   pursuant to the Dental Health Care Act;

8   (3)   a doctor of oriental medicine licensed

9   pursuant to the provisions of the Acupuncture and Oriental

10   Medicine Practice Act;

11   (4)   an optometrist licensed pursuant to the

12   provisions of the Optometry Act;

13   (5)   an osteopathic physician licensed pursuant

14   to the provisions of the Medical Practice Act;

15   (6)   a physical therapist licensed pursuant to

16   the provisions of the Physical Therapy Act;

17   (7)   a physician or physician assistant

18   licensed pursuant to the provisions of the Medical Practice

19   Act;

20   (8)   a podiatric physician licensed pursuant to

21   the provisions of the Podiatry Act; and

22   (9)   a psychologist licensed pursuant to the

23   provisions of the Professional Psychologist Act."

24   SECTION 2.   APPLICABILITY.--The provisions of this act

25   apply to taxable years beginning on or after January 1, 2025.

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