HOUSE BILL

58TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2027

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO HEALTH CARE; EXPANDING THE RURAL HEALTH CARE PRACTITIONER TAX CREDIT TO INCLUDE ADDITIONAL ELIGIBLE HEALTH CARE PRACTITIONERS.

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, as amended) is amended to read:

"7-2-18.22. 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 health care services in New Mexico in a rural health care underserved area in a taxable year may claim a credit against the tax liability imposed by the Income Tax Act. The credit provided in this section may be referred to as the "rural

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health care practitioner tax credit".

B. The rural health care practitioner tax credit may be claimed and allowed in an amount that shall not exceed:

(1) five thousand dollars ($5,000) for all physicians, osteopathic physicians, dentists, psychologists, podiatric physicians and optometrists who qualify pursuant to the provisions of this section and have provided health care during a taxable year for at least one thousand five hundred eighty-four hours at a practice site located in an approved rural health care underserved area. Eligible health care practitioners listed in this paragraph who provided health care services for at least seven hundred ninety-two hours but less than one thousand five hundred eighty-four hours at a practice site located in an approved rural health care underserved area during a taxable year are eligible for one-half of the tax credit amount; and

(2) three thousand dollars ($3,000) for all pharmacists, dental hygienists, physician assistants, certified registered nurse anesthetists, certified nurse practitioners, clinical nurse specialists, registered nurses, midwives, licensed clinical social workers, licensed independent social workers, professional mental health counselors, professional clinical mental health counselors, marriage and family therapists, professional art therapists, alcohol and drug abuse counselors, [~~and~~] physical therapists, licensed practical

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nurses, emergency medical technicians, paramedics, speech-language pathologists, occupational therapists, chiropractic physicians, medical imaging assistants or technicians, sonographers, dietitians, nutritionists and respiratory care practitioners who qualify pursuant to the provisions of this section and have provided health care during a taxable year for at least one thousand five hundred eighty-four hours at a practice site located in an approved rural health care underserved area. Eligible health care practitioners listed in this paragraph who provided health care services for at least seven hundred ninety-two hours but less than one thousand five hundred eighty-four hours at a practice site located in an approved rural health care underserved area during a taxable year are eligible for one-half of the tax credit amount.

C. Before an eligible health care practitioner may claim the rural health care practitioner tax credit, the practitioner shall submit a completed application to the department of health that describes the practitioner's clinical practice and contains additional information that the department of health may require. The department of health shall determine whether an eligible health care practitioner qualifies for the rural health care practitioner tax credit and shall issue a certificate to each qualifying eligible health care practitioner. The department of health shall provide the taxation and revenue department appropriate information for all

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eligible health care practitioners to whom certificates are issued in a secure manner on regular intervals agreed upon by both the taxation and revenue department and the department of health.

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

E. A taxpayer allowed a tax credit pursuant to this section shall claim the credit on forms and in a manner required by the department.

F. The tax 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 tax credit.

G. As used in this section:

(1) "eligible health care practitioner" means:

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

(b) a midwife that is a: 1) certified nurse-midwife licensed by the board of nursing as a registered nurse and licensed by the public health division of the

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department of health to practice nurse-midwifery as a certified nurse-midwife; or 2) licensed midwife licensed by the public health division of the department of health to practice licensed midwifery;

(c) an optometrist licensed pursuant to the provisions of the Optometry Act;

(d) an osteopathic physician licensed pursuant to the provisions of the Medical Practice Act;

(e) a physician licensed pursuant to the provisions of the Medical Practice Act or a physician assistant licensed pursuant to the provisions of the Physician Assistant Act;

(f) a podiatric physician licensed pursuant to the provisions of the Podiatry Act;

(g) a psychologist licensed pursuant to the provisions of the Professional Psychologist Act;

(h) a registered nurse or licensed practical nurse licensed pursuant to the provisions of the Nursing Practice Act;

(i) a pharmacist licensed pursuant to the provisions of the Pharmacy Act;

(j) a licensed clinical social worker or a licensed independent social worker licensed pursuant to the provisions of the Social Work Practice Act;

(k) a professional mental health

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counselor, a professional clinical mental health counselor, a marriage and family therapist, an alcohol and drug abuse counselor or a professional art therapist licensed pursuant to the provisions of the Counseling and Therapy Practice Act; [~~and~~]

(l) a physical therapist licensed pursuant to the provisions of the Physical Therapy Act;

(m) an emergency medical technician or a paramedic licensed pursuant to the Emergency Medical Services Act;

(n) a speech-language pathologist licensed pursuant to the Speech-Language Pathology, Audiology and Hearing Aid Dispensing Practices Act;

(o) an occupational therapist licensed pursuant to the Occupational Therapy Act;

(p) a chiropractic physician licensed pursuant to the Chiropractic Physician Practice Act;

(q) a licensed medical imaging assistant or technologist or sonographer licensed pursuant to the Medical Imaging and Radiation Therapy Health and Safety Act;

(r) a dietitian or nutritionist licensed pursuant to the Nutrition and Dietetics Practice Act; and

(s) a respiratory care practitioner licensed pursuant to the Respiratory Care Act;

(2) "health care underserved area" means a

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geographic area or practice location in which it has been determined by the department of health, through the use of indices and other standards set by the department of health, that sufficient health care services are not being provided;

(3) "practice site" means a private practice, public health clinic, hospital, public or private nonprofit primary care clinic or other health care service location in a health care underserved area; and

(4) "rural" means a rural county or an unincorporated area of a partially rural county, as designated by the health resources and services administration of the United States department of health and human services."

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