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AN ACT

RELATING TO TAXATION; PROVIDING A CREDIT AGAINST PERSONAL
INCOME TAX LIABILITIES FOR PHYSICIANS PARTICIPATING IN CANCER
TREATMENT CLINICAL TRIALS.

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:

"CREDIT--PHYSICIAN PARTICIPATION IN CANCER TREATMENT
CLINICAL TRIALS.--

A. A taxpayer who files an individual New Mexico
income tax return, who is not a dependent of another
taxpayer, who is an oncologist who is a physician licensed
pursuant to the Medical Practice Act and whose practice is
located in rural New Mexico may claim, and the department may
allow, a tax credit of one thousand dollars (\$1,000) for each
patient participating in a cancer clinical trial under the
taxpayer's supervision for a maximum credit allowed for all
cancer clinical trials conducted by that taxpayer during the
taxable year of four thousand dollars (\$4,000). The tax
credit provided in this section may be referred to as the
"cancer clinical trial tax credit".

B. The purpose of the cancer clinical trial tax
credit is to encourage physicians in New Mexico to
participate as clinical trial investigators by performing

1 cancer clinical trials of new cancer treatments in New Mexico
2 and making cancer clinical trials more readily available to
3 cancer patients in the state.

4 C. The cancer clinical trial tax credit may only
5 be claimed for the taxable year in which the physician
6 participates as an investigator in a clinical trial.

7 D. A partnership or business association in which
8 one or more members qualifies for a cancer clinical trial tax
9 credit may claim only one cancer clinical trial tax credit.
10 The total cancer clinical trial tax credit allowed by the
11 department for all the members of a partnership or business
12 association shall not exceed the amount of cancer clinical
13 trial tax credit that could have been claimed by one
14 physician conducting, supervising or participating in the
15 cancer clinical trial for which the credit is allowed.

16 E. A husband and wife who file separate returns
17 for a taxable year in which they could have filed a joint
18 return may each claim only one-half of the cancer clinical
19 trial tax credit that would have been allowed on a joint
20 return.

21 F. The department shall compile an annual report
22 that includes the number of taxpayers approved by the
23 department to receive a cancer clinical trial tax credit in
24 the taxable year, the amount of cancer clinical trial tax
25 credits allowed in the taxable year, the number of patients

1 who participated in the taxable year in cancer clinical
2 trials and the locations of the cancer clinical trials for
3 which cancer clinical trial tax credits were claimed.

4 G. As used in this section:

5 (1) "cancer clinical trial" means a clinical
6 trial:

7 (a) conducted for the purposes of the
8 prevention of or the prevention of reoccurrence of cancer or
9 the early detection or treatment of cancer for which no
10 equally or more effective standard cancer treatment exists;

11 (b) that is not designed exclusively to
12 test toxicity or disease pathophysiology and has a
13 therapeutic intent;

14 (c) provided in this state as part of a
15 scientific study of a new therapy or intervention and is for
16 the prevention, prevention of reoccurrence, early detection,
17 treatment or palliation of cancer in humans and in which the
18 scientific study includes all of the following: 1) specific
19 goals; 2) a rationale and background for the study;
20 3) criteria for patient selection; 4) specific direction for
21 administering the therapy or intervention and for monitoring
22 patients; 5) a definition of quantitative measures for
23 determining treatment response; 6) methods for documenting
24 and treating adverse reactions; and 7) a reasonable
25 expectation that the treatment will be at least as

1 efficacious as standard cancer treatment;

2 (d) that is being conducted with
3 approval of at least one of the following: 1) one of the
4 federal national institutes of health; 2) a federal national
5 institutes of health cooperative group or center; 3) the
6 United States department of defense; 4) the federal food and
7 drug administration in the form of an investigational new
8 drug application; 5) the United States department of veterans
9 affairs; or 6) a qualified research entity that meets the
10 criteria established by the federal national institutes of
11 health for grant eligibility;

12 (e) that is considered part of a cancer
13 clinical trial;

14 (f) that has been reviewed and approved
15 by an institutional review board that has an active
16 federal-wide assurance of protection for human subjects; and

17 (g) in which the personnel conducting
18 the clinical trial are working within their scope of
19 practice, experience and training and are capable of
20 providing the clinical trial because of their experience,
21 training and volume of patients treated to maintain their
22 expertise; and

23 (2) "rural New Mexico" means a class B
24 county in which no municipality has a population of sixty
25 thousand or more according to the most recent federal

1 decennial census and includes the municipalities within that
2 county."

3 SECTION 2. APPLICABILITY.--The provisions of this act
4 apply to taxable years beginning on or after January 1, 2012
5 but before January 1, 2015.

6 SECTION 3. EFFECTIVE DATE.--The effective date of the
7 provisions of this act is January 1, 2012. _____

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