

1 SENATE BILL 28

2 **51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014**

3 INTRODUCED BY

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9  
10 AN ACT

11 RELATING TO TAXATION; AMENDING A SECTION OF THE GROSS RECEIPTS  
12 AND COMPENSATING TAX ACT TO PROVIDE FOR A DEDUCTION FROM GROSS  
13 RECEIPTS OF PAYMENTS FOR SERVICES RENDERED BY DIALYSIS  
14 FACILITIES.

15  
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 SECTION 1. Section 7-9-77.1 NMSA 1978 (being Laws 1998,  
18 Chapter 96, Section 1, as amended) is amended to read:

19 "7-9-77.1. DEDUCTION--GROSS RECEIPTS TAX--CERTAIN MEDICAL  
20 AND HEALTH CARE SERVICES.--

21 A. Receipts from payments by the United States  
22 government or any agency thereof for provision of medical and  
23 other health services by medical doctors, osteopathic  
24 physicians, doctors of oriental medicine, athletic trainers,  
25 chiropractic physicians, counselor and therapist practitioners,

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1 dentists, massage therapists, naprapaths, nurses,  
2 nutritionists, dietitians, occupational therapists,  
3 optometrists, pharmacists, physical therapists, psychologists,  
4 radiologic technologists, respiratory care practitioners,  
5 audiologists, speech-language pathologists, social workers and  
6 podiatrists or of medical, other health and palliative services  
7 by hospices or nursing homes to medicare beneficiaries pursuant  
8 to the provisions of Title 18 of the federal Social Security  
9 Act may be deducted from gross receipts.

10 B. Receipts from payments by a third-party  
11 administrator of the federal TRICARE program for provision of  
12 medical and other health services by medical doctors and  
13 osteopathic physicians to covered beneficiaries may be deducted  
14 from gross receipts.

15 C. Receipts from payments by or on behalf of the  
16 Indian health service of the United States department of health  
17 and human services for provision of medical and other health  
18 services by medical doctors and osteopathic physicians to  
19 covered beneficiaries may be deducted from gross receipts.

20 D. Receipts from payments by the United States  
21 government or any agency thereof for medical services provided  
22 by a clinical laboratory to medicare beneficiaries pursuant to  
23 the provisions of Title 18 of the federal Social Security Act  
24 may be deducted from gross receipts.

25 E. Receipts from payments by the United States

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1 government or any agency thereof for medical, other health and  
2 palliative services provided by a home health agency to  
3 medicare beneficiaries pursuant to the provisions of Title 18  
4 of the federal Social Security Act may be deducted from gross  
5 receipts.

6 F. Receipts from payments by the United States  
7 government or any agency thereof for medical and other health  
8 services provided by a dialysis facility to medicare  
9 beneficiaries pursuant to the provisions of Title 18 of the  
10 federal Social Security Act may be deducted from gross receipts  
11 according to the following schedule:

12 (1) from July 1, 2014 through June 30, 2015,  
13 thirty-three and one-third percent of the receipts may be  
14 deducted;

15 (2) from July 1, 2015 through June 30, 2016,  
16 sixty-six and two-thirds percent of the receipts may be  
17 deducted; and

18 (3) after June 30, 2016, one hundred percent  
19 of the receipts may be deducted.

20 G. A taxpayer allowed a deduction pursuant to this  
21 section shall report the amount of the deduction separately in  
22 a manner required by the department.

23 H. The department shall compile an annual report on  
24 the deductions created pursuant to this section that shall  
25 include the number of taxpayers approved by the department to

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1 receive each deduction, the aggregate amount of deductions  
2 approved and any other information necessary to evaluate the  
3 effectiveness of the deductions. Beginning in 2020 and every  
4 five years thereafter that this section is in effect, the  
5 department shall compile and present the annual reports to the  
6 revenue stabilization and tax policy committee and the  
7 legislative finance committee with an analysis of the  
8 effectiveness and cost of the deductions and whether the  
9 deductions are providing a benefit to the state.

10 ~~[F.]~~ I. For the purposes of this section:

11 (1) "athletic trainer" means a person licensed  
12 as an athletic trainer pursuant to the provisions of Chapter  
13 61, Article 14D NMSA 1978;

14 (2) "chiropractic physician" means a person  
15 who practices chiropractic as defined in the Chiropractic  
16 Physician Practice Act;

17 (3) "clinical laboratory" means a laboratory  
18 accredited pursuant to 42 USCA 263a;

19 (4) "counselor and therapist practitioner"  
20 means a person licensed to practice as a counselor or therapist  
21 pursuant to the provisions of Chapter 61, Article 9A NMSA 1978;

22 (5) "dentist" means a person licensed to  
23 practice as a dentist pursuant to the provisions of Chapter 61,  
24 Article 5A NMSA 1978;

25 (6) "dialysis facility" means an end-stage

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1 renal disease facility as defined pursuant to 42 C.F.R.  
2 405.2102;

3 ~~[(6)]~~ (7) "doctor of oriental medicine" means  
4 a person licensed as a physician to practice acupuncture or  
5 oriental medicine pursuant to the provisions of Chapter 61,  
6 Article 14A NMSA 1978;

7 ~~[(7)]~~ (8) "home health agency" means a for-  
8 profit entity that is licensed by the department of health and  
9 certified by the federal centers for medicare and medicaid  
10 services as a home health agency and certified to provide  
11 medicare services;

12 ~~[(8)]~~ (9) "hospice" means a for-profit entity  
13 licensed by the department of health as a hospice and certified  
14 to provide medicare services;

15 ~~[(9)]~~ (10) "massage therapist" means a person  
16 licensed to practice massage therapy pursuant to the provisions  
17 of Chapter 61, Article 12C NMSA 1978;

18 ~~[(10)]~~ (11) "medical doctor" means a person  
19 licensed as a physician to practice medicine pursuant to the  
20 provisions of the Medical Practice Act;

21 ~~[(11)]~~ (12) "naprapath" means a person  
22 licensed as a naprapath pursuant to the provisions of Chapter  
23 61, Article ~~[(12E)]~~ 12F NMSA 1978;

24 ~~[(12)]~~ (13) "nurse" means a person licensed as  
25 a registered nurse pursuant to the provisions of Chapter 61,

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1 Article 3 NMSA 1978;

2 ~~[(13)]~~ (14) "nursing home" means a for-profit  
3 entity licensed by the department of health as a nursing home  
4 and certified to provide medicare services;

5 ~~[(14)]~~ (15) "nutritionist" or "dietitian"  
6 means a person licensed as a nutritionist or dietitian pursuant  
7 to the provisions of Chapter 61, Article 7A NMSA 1978;

8 ~~[(15)]~~ (16) "occupational therapist" means a  
9 person licensed as an occupational therapist pursuant to the  
10 provisions of Chapter 61, Article 12A NMSA 1978;

11 ~~[(16)]~~ (17) "osteopathic physician" means a  
12 person licensed as an osteopathic physician pursuant to the  
13 provisions of Chapter 61, Article 10 NMSA 1978;

14 ~~[(17)]~~ (18) "optometrist" means a person  
15 licensed to practice optometry pursuant to the provisions of  
16 Chapter 61, Article 2 NMSA 1978;

17 ~~[(18)]~~ (19) "pharmacist" means a person  
18 licensed as a pharmacist pursuant to the provisions of Chapter  
19 61, Article 11 NMSA 1978;

20 ~~[(19)]~~ (20) "physical therapist" means a  
21 person licensed as a physical therapist pursuant to the  
22 provisions of Chapter 61, Article 12D NMSA 1978;

23 ~~[(20)]~~ (21) "podiatrist" means a person  
24 licensed as a podiatrist pursuant to the provisions of the  
25 Podiatry Act;

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1                    [~~(21)~~] (22) "psychologist" means a person  
2 licensed as a psychologist pursuant to the provisions of  
3 Chapter 61, Article 9 NMSA 1978;

4                    [~~(22)~~] (23) "radiologic technologist" means a  
5 person licensed as a radiologic technologist pursuant to the  
6 provisions of Chapter 61, Article 14E NMSA 1978;

7                    [~~(23)~~] (24) "respiratory care practitioner"  
8 means a person licensed as a respiratory care practitioner  
9 pursuant to the provisions of Chapter 61, Article 12B NMSA  
10 1978;

11                    [~~(24)~~] (25) "social worker" means a person  
12 licensed as an independent social worker pursuant to the  
13 provisions of Chapter 61, Article 31 NMSA 1978;

14                    [~~(25)~~] (26) "speech-language pathologist"  
15 means a person licensed as a speech-language pathologist  
16 pursuant to the provisions of Chapter 61, Article 14B NMSA  
17 1978; and

18                    [~~(26)~~] (27) "TRICARE program" means the  
19 program defined in 10 U.S.C. 1072(7)."

20                    **SECTION 2. EFFECTIVE DATE.**--The effective date of the  
21 provisions of this act is July 1, 2014.