

1 HOUSE BILL 437

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO TAXATION; EXPANDING THE RURAL HEALTH CARE
12 PRACTITIONER TAX CREDIT TO INCLUDE DOCTORS OF ORIENTAL
13 MEDICINE, NATUROPATHIC DOCTORS, SPEECH-LANGUAGE PATHOLOGISTS,
14 OCCUPATIONAL THERAPISTS, OCCUPATIONAL THERAPY ASSISTANTS,
15 PHYSICAL THERAPISTS AND PHYSICAL THERAPIST ASSISTANTS.

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

18 SECTION 1. Section 7-2-18.22 NMSA 1978 (being Laws 2007,
19 Chapter 361, Section 2) is amended to read:

20 "7-2-18.22. [~~TAX CREDIT~~] RURAL HEALTH CARE PRACTITIONER
21 TAX CREDIT.--

22 A. A taxpayer who files an individual New Mexico
23 tax return, who is not a dependent of another individual, who
24 is an eligible health care practitioner and who has provided
25 health care services in New Mexico in a rural health care

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1 underserved area in a taxable year may claim a credit against
2 the tax liability imposed by the Income Tax Act. The credit
3 provided in this section may be referred to as the "rural
4 health care practitioner tax credit".

5 B. The rural health care practitioner tax credit
6 may be claimed and allowed in an amount that shall not exceed
7 five thousand dollars (\$5,000) for all eligible physicians,
8 osteopathic physicians, dentists, clinical psychologists,
9 podiatrists, ~~[and]~~ optometrists, doctors of oriental medicine,
10 naturopathic doctors, speech-language pathologists,
11 occupational therapists and physical therapists who qualify
12 pursuant to the provisions of this section, except the credit
13 shall not exceed three thousand dollars (\$3,000) for all
14 eligible dental hygienists, physician assistants, certified
15 nurse-midwives, certified registered nurse anesthetists,
16 certified nurse practitioners, ~~[and]~~ clinical nurse
17 specialists, occupational therapy assistants and physical
18 therapist assistants.

19 C. To qualify for the rural health care
20 practitioner tax credit, an eligible health care practitioner
21 shall have provided health care during a taxable year for at
22 least two thousand eighty hours at a practice site located in
23 an approved, rural health care underserved area. An eligible
24 ~~[rural]~~ health care practitioner who provided health care
25 services for at least one thousand forty hours but less than

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1 two thousand eighty hours at a practice site located in an
2 approved rural health care underserved area during a taxable
3 year is eligible for one-half of the credit amount.

4 D. Before an eligible health care practitioner may
5 claim the rural health care practitioner tax credit, the
6 practitioner shall submit an application to the department of
7 health that describes the practitioner's clinical practice and
8 contains additional information that the department of health
9 may require. The department of health shall determine whether
10 an eligible health care practitioner qualifies for the rural
11 health care practitioner tax credit and shall issue a
12 certificate to each qualifying eligible health care
13 practitioner. The department of health shall provide the
14 taxation and revenue department appropriate information for all
15 eligible health care practitioners to whom certificates are
16 issued.

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

24 F. As used in this section:

25 (1) "eligible health care practitioner" means:

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1 (a) a certified nurse-midwife licensed
2 by the board of nursing as a registered nurse and licensed by
3 the public health division of the department of health to
4 practice nurse-midwifery as a certified nurse-midwife;

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

7 (c) a doctor of oriental medicine
8 licensed pursuant to the Acupuncture and Oriental Medicine
9 Practice Act;

10 (d) a naturopathic doctor licensed
11 pursuant to the Naturopathic Doctors' Practice Act;

12 (e) an occupational therapist or
13 occupational therapy assistant licensed pursuant to the
14 provisions of the Occupational Therapy Act;

15 [~~e~~] (f) an optometrist licensed
16 pursuant to the provisions of the Optometry Act;

17 [~~d~~] (g) an osteopathic physician
18 [~~licensed pursuant to the provisions of Chapter 61, Article 10~~
19 ~~NMSA 1978 or an osteopathic physician assistant~~] licensed
20 pursuant to the provisions of the [~~Osteopathic Physicians'~~
21 ~~Assistants~~] Medical Practice Act;

22 [~~e~~] (h) a physician or physician
23 assistant licensed pursuant to the provisions of [~~Chapter 61,~~
24 ~~Article 6 NMSA 1978~~] the Medical Practice Act;

25 (i) a physical therapist or physical

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1 therapist assistant licensed pursuant to the Physical Therapy
2 Act;

3 [~~(f)~~] (j) a podiatrist licensed pursuant
4 to the provisions of the Podiatry Act;

5 [~~(g)~~] (k) a clinical psychologist
6 licensed pursuant to the provisions of the Professional
7 Psychologist Act; [~~and~~

8 ~~(h)~~] (l) a registered nurse in advanced
9 practice who has been prepared through additional formal
10 education as provided in Sections 61-3-23.2 through 61-3-23.4
11 NMSA 1978 to function beyond the scope of practice of
12 professional registered nursing, including certified nurse
13 practitioners, certified registered nurse anesthetists and
14 clinical nurse specialists; and

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

18 (2) "health care underserved area" means a
19 geographic area or practice location in which it has been
20 determined by the department of health, through the use of
21 indices and other standards set by the department of health,
22 that sufficient health care services are not being provided;

23 (3) "practice site" means a private practice,
24 public health clinic, hospital, public or private nonprofit
25 primary care clinic or other health care service location in a

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1 health care underserved area; and

2 (4) "rural" means an area or location
3 identified by the department of health as falling outside of an
4 urban area."

5 SECTION 2. APPLICABILITY.--The provisions of this act
6 apply to taxable years beginning on or after January 1, 2022.

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