

HOUSE BILL 163

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

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This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

AN ACT

RELATING TO TAXATION; ADDING CERTAIN PHARMACISTS, REGISTERED NURSES, HHC→MIDWIVES, ←HHC SOCIAL WORKERS, BEHAVIORAL HEALTH COUNSELORS AND THERAPISTS AND PHYSICAL THERAPISTS TO THE RURAL HEALTH CARE PRACTITIONER TAX CREDIT; MODIFYING THE REQUIREMENTS FOR RECEIVING THE RURAL HEALTH CARE PRACTITIONER TAX CREDIT; INCREASING DATA COLLECTION AND REPORTING REQUIREMENTS FOR THE TAXATION AND REVENUE DEPARTMENT.

.226736.1AIC January 29, 2024 (5:47pm)

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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) is amended to read:

"7-2-18.22. [~~TAX CREDIT~~] 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 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 [~~eligible~~] physicians, osteopathic physicians, dentists, clinical psychologists, podiatrists and optometrists who qualify pursuant to the provisions of this section [~~except the credit shall not exceed~~] 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

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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 [eligible] pharmacists, dental hygienists, physician assistants, HHHC→certified nurse-midwives,←HHHC certified registered nurse anesthetists, certified nurse practitioners, [and] clinical nurse specialists, registered nurses, HHHC→midwives,←HHHC 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 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.

~~[G. To qualify for the rural health care practitioner tax credit, an eligible health care practitioner~~

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~~shall have provided health care during a taxable year for at least two thousand eighty hours at a practice site located in an approved rural health care underserved area. An eligible rural health care practitioner who provided health care services for at least one thousand forty hours but less than two thousand eighty hours at a practice site located in an approved rural health care underserved area during a taxable year is eligible for one-half of the credit amount.~~

D.] C. Before an eligible health care practitioner may claim the rural health care practitioner tax credit, the practitioner shall submit an 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 certification shall include the practitioner's taxpayer identification number and first eligible tax year and shall be numbered for identification and declare the date of issuance and the amount of tax credit allowed. The department of health shall provide the taxation and revenue department appropriate information for all eligible health care practitioners to whom certificates are issued in a secure manner on regular intervals agreed upon by both the

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taxation and revenue department and the department of health.

[E-] 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 report the amount of the credit to the department in a manner required by the department.

F. The department shall compile an annual report on the tax credit provided by this section that shall include the number of taxpayers approved by the department to receive the credit, the aggregate amount of credits approved and any other information necessary to evaluate the credit. The department shall present the report to the revenue stabilization and tax policy committee and the legislative finance committee with an analysis of the cost of the tax credit.

[F-] G. As used in this section:

(1) "eligible health care practitioner" means:

HHHC → ~~(a) a certified nurse-midwife licensed by the board of nursing as a registered nurse and licensed by the public health division of the department of health to practice nurse-midwifery as a certified nurse-~~

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midwife; ←HHHC

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

HHHC → (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 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; ←HHHC

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

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

(e) a physician [or physician assistant] licensed pursuant to the provisions of [Chapter 61, Article 6 NMSA 1978] the Medical Practice Act or a physician assistant licensed pursuant to the provisions of the Physician Assistant Act;

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

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

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

(2) "health care underserved area" means a geographic area or practice location in which it has been

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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 ~~[an area or location identified by the department of health as falling outside of an urban area]~~ 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."

SECTION 2. APPLICABILITY.--The provisions of this act apply to taxable years beginning on or after January 1, 2024.