HOUSE BILL 104

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

Anthony Allison

AN ACT

RELATING TO TAXATION; EXPANDING THE RURAL HEALTH CARE PRACTITIONER TAX CREDIT TO APPLY TO ALL REGISTERED NURSES AND LICENSED MIDWIVES AND ALSO ESSENTIAL HEALTH CARE WORKERS WHO PROVIDED ASSISTANCE DURING THE CORONAVIRUS DISEASE 2019 PANDEMIC.

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
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
three thousand dollars ($3,000) for all eligible dental
hygienists, physician assistants, [certified nurse-midwives,
certified registered nurse anesthetists, certified nurse
practitioners and clinical nurse specialists] midwives licensed
by the department of health, registered nurses and essential
health care workers who provided assistance to other health
care professionals during the coronavirus disease 2019
pandemic.

C. To qualify for the rural health care
practitioner tax credit, an eligible health care practitioner
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. 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 department of health shall provide the taxation and revenue department appropriate information for all eligible health care practitioners to whom certificates are issued.

E. 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.

F. As used in this section:

(1) "eligible health care practitioner" means:
[(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-midwife;

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

[(e)] (b) an optometrist licensed pursuant to the provisions of the Optometry Act;

[(d)] (c) 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' Medicine Act;

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

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

[(g)] (f) 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;]

(g) a midwife licensed by the department
of health;

(h) a registered nurse licensed pursuant
to the Nursing Practice Act; and

(i) an essential health care worker who
provided assistance to other health care professionals during
the coronavirus disease 2019 pandemic;

(2) "essential health care worker" means an
individual who conducts operations or services that are
typically essential to continue critical infrastructure
operations, including custodial and security staff;

(3) "health care underserved area" means
a 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;

(4) "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

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

SECTION 2. APPLICABILITY.--The provisions of this act apply to taxable years beginning on or after January 1, 2021.