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SENATE BILL 93

**52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016**

INTRODUCED BY

Clemente Sanchez

AN ACT

RELATING TO TAXATION; CREATING A DEDUCTION FROM GROSS RECEIPTS FOR PAYMENTS FROM A COMPENSATION PROGRAM ESTABLISHED BY THE FEDERAL ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM ACT OF 2000 FOR SERVICES PROVIDED BY A HOME HEALTH AGENCY.

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

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

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

A. Receipts from payments by the United States government or any agency thereof for provision of medical and other health services by medical doctors, osteopathic physicians, doctors of oriental medicine, athletic trainers,

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

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

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

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

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

7 F. Prior to July 1, 2026, receipts from payments  
8 from a compensation program established by the federal Energy  
9 Employees Occupational Illness Compensation Program Act of 2000  
10 for provision of medical and other health and palliative  
11 services provided by a home health agency to covered  
12 beneficiaries may be deducted from gross receipts.

13 [~~F.~~] G. Prior to July 1, 2024, receipts from  
14 payments by the United States government or any agency thereof  
15 for medical and other health services provided by a dialysis  
16 facility to medicare beneficiaries pursuant to the provisions  
17 of Title 18 of the federal Social Security Act may be deducted  
18 from gross receipts according to the following schedule:

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

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

25 (3) after June 30, 2016, one hundred percent

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1 of the receipts may be deducted.

2 ~~[G.]~~ H. A taxpayer allowed a deduction pursuant to  
3 this section shall report the amount of the deduction  
4 separately in a manner required by the department.

5 ~~[H.]~~ I. The department shall compile an annual  
6 report on the deductions created pursuant to this section that  
7 shall include the number of taxpayers approved by the  
8 department to receive each deduction, the aggregate amount of  
9 deductions approved and any other information necessary to  
10 evaluate the effectiveness of the deductions. Beginning in  
11 2020 and every five years thereafter that this section is in  
12 effect, the department shall compile and present the annual  
13 reports to the revenue stabilization and tax policy committee  
14 and the legislative finance committee with an analysis of the  
15 effectiveness and cost of the deductions and whether the  
16 deductions are providing a benefit to the state.

17 ~~[I.]~~ J. For the purposes of this section:

18 (1) "athletic trainer" means a person licensed  
19 as an athletic trainer pursuant to the provisions of Chapter  
20 61, Article 14D NMSA 1978;

21 (2) "chiropractic physician" means a person  
22 who practices chiropractic as defined in the Chiropractic  
23 Physician Practice Act;

24 (3) "clinical laboratory" means a laboratory  
25 accredited pursuant to 42 USCA 263a;

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

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

7                   (6) "dialysis facility" means an end-stage  
8 renal disease facility as defined pursuant to 42 C.F.R.  
9 405.2102;

10                  (7) "doctor of oriental medicine" means a  
11 person licensed as a physician to practice acupuncture or  
12 oriental medicine pursuant to the provisions of Chapter 61,  
13 Article 14A NMSA 1978;

14                  (8) "home health agency" means a for-profit  
15 entity that is licensed by the department of health and  
16 certified by the federal centers for medicare and medicaid  
17 services as a home health agency and certified to provide  
18 medicare services;

19                  (9) "hospice" means a for-profit entity  
20 licensed by the department of health as a hospice and certified  
21 to provide medicare services;

22                  (10) "massage therapist" means a person  
23 licensed to practice massage therapy pursuant to the provisions  
24 of Chapter 61, Article 12C NMSA 1978;

25                  (11) "medical doctor" means a person licensed

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1 as a physician to practice medicine pursuant to the provisions  
2 of the Medical Practice Act;

3 (12) "naprapath" means a person licensed as a  
4 naprapath pursuant to the provisions of Chapter 61, Article 12F  
5 NMSA 1978;

6 (13) "nurse" means a person licensed as a  
7 registered nurse pursuant to the provisions of Chapter 61,  
8 Article 3 NMSA 1978;

9 (14) "nursing home" means a for-profit entity  
10 licensed by the department of health as a nursing home and  
11 certified to provide medicare services;

12 (15) "nutritionist" or "dietitian" means a  
13 person licensed as a nutritionist or dietitian pursuant to the  
14 provisions of Chapter 61, Article 7A NMSA 1978;

15 (16) "occupational therapist" means a person  
16 licensed as an occupational therapist pursuant to the  
17 provisions of Chapter 61, Article 12A NMSA 1978;

18 (17) "osteopathic physician" means a person  
19 licensed as an osteopathic physician pursuant to the provisions  
20 of Chapter 61, Article 10 NMSA 1978;

21 (18) "optometrist" means a person licensed to  
22 practice optometry pursuant to the provisions of Chapter 61,  
23 Article 2 NMSA 1978;

24 (19) "pharmacist" means a person licensed as a  
25 pharmacist pursuant to the provisions of Chapter 61, Article 11

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1 NMSA 1978;

2 (20) "physical therapist" means a person  
3 licensed as a physical therapist pursuant to the provisions of  
4 Chapter 61, Article 12D NMSA 1978;

5 (21) "podiatrist" means a person licensed as a  
6 podiatrist pursuant to the provisions of the Podiatry Act;

7 (22) "psychologist" means a person licensed as  
8 a psychologist pursuant to the provisions of Chapter 61,  
9 Article 9 NMSA 1978;

10 (23) "radiologic technologist" means a person  
11 licensed as a radiologic technologist pursuant to the  
12 provisions of Chapter 61, Article 14E NMSA 1978;

13 (24) "respiratory care practitioner" means a  
14 person licensed as a respiratory care practitioner pursuant to  
15 the provisions of Chapter 61, Article 12B NMSA 1978;

16 (25) "social worker" means a person licensed  
17 as an independent social worker pursuant to the provisions of  
18 Chapter 61, Article 31 NMSA 1978;

19 (26) "speech-language pathologist" means a  
20 person licensed as a speech-language pathologist pursuant to  
21 the provisions of Chapter 61, Article 14B NMSA 1978; and

22 (27) "TRICARE program" means the program  
23 defined in 10 U.S.C. 1072(7)."

24 **SECTION 2. EFFECTIVE DATE.**--The effective date of the  
25 provisions of this act is July 1, 2016.

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