

1 SENATE BILL 296

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO TAXATION; CREATING THE HEALTH CARE PRECEPTOR INCOME
12 TAX CREDIT.

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

15 SECTION 1. A new section of the Income Tax Act is enacted
16 to read:

17 "[NEW MATERIAL] HEALTH CARE PRECEPTOR INCOME TAX CREDIT.--

18 A. A taxpayer who is not a dependent of another
19 individual, who is a preceptor employed by a state educational
20 institution as defined in Article 12, Section 11 of the
21 constitution of New Mexico and who has performed a
22 preceptorship of not less than four weeks in New Mexico may
23 apply for, and the department may allow, a credit against the
24 taxpayer's tax liability imposed pursuant to the Income Tax
25 Act. The tax credit provided by this section may be referred

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1 to as the "health care preceptor income tax credit".

2 B. The health care preceptor income tax credit
3 shall not exceed one thousand dollars (\$1,000) for up to five
4 preceptorships performed in the taxable year in which the
5 credit is claimed.

6 C. A taxpayer may claim a health care preceptor
7 income tax credit for the taxable year in which the taxpayer
8 performs a preceptorship. To receive the tax credit, a
9 taxpayer shall apply to the department on forms and in the
10 manner prescribed by the department. The application shall
11 include a certification made by the institution for which the
12 taxpayer is employed and for which the preceptorship was
13 performed.

14 D. That portion of a health care preceptor income
15 tax credit that exceeds a taxpayer's tax liability in the
16 taxable year in which the credit is claimed may be carried
17 forward and applied against the taxpayer's income tax liability
18 in succeeding years until the credit is exhausted.

19 E. A taxpayer allowed a tax credit pursuant to this
20 section shall report the amount of the credit to the department
21 in a manner required by the department.

22 F. The department shall compile an annual report on
23 the health care preceptor income tax credit that shall include
24 the number of taxpayers approved by the department to receive
25 the credit, the aggregate amount of credits approved and any

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1 other information necessary to evaluate the effectiveness of
2 the credit. Each year that the credit is in effect, the
3 department shall present the report to the revenue
4 stabilization and tax policy committee and the legislative
5 finance committee with an analysis of the effectiveness and
6 cost of the tax credit.

7 G. As used in this section:

8 (1) "eligible graduate student" means an
9 individual matriculating at the graduate level at any
10 accredited New Mexico institution of higher education seeking a
11 degree in the areas of doctor of medicine, doctor of
12 osteopathy, advanced nursing practice, doctor of dental
13 surgery, pharmacy, psychology, psychiatry or doctor of dental
14 medicine or as a physician assistant;

15 (2) "eligible professional degree" means a
16 degree or certificate that fulfills a requirement to practice
17 as a medical doctor, osteopathic physician, advanced practice
18 nurse, physician assistant, dentist, pharmacist, psychologist
19 or psychiatrist;

20 (3) "preceptor" means an individual licensed
21 as a medical doctor, osteopathic physician, advanced practice
22 nurse, physician assistant, dentist, pharmacist, psychologist
23 or psychiatrist; and

24 (4) "preceptorship" means an uncompensated
25 period of supervised clinical training during which a preceptor

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1 provides a program of personalized instruction, training and
2 supervision to an eligible graduate student to enable the
3 student to obtain an eligible professional degree."

4 SECTION 2. APPLICABILITY.--The provisions of this act
5 apply to taxable years beginning on or after January 1, 2019.