

1 HOUSE BILL 228

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO TAXATION; ALLOWING PHYSICAL AND OCCUPATIONAL
12 THERAPISTS TO BE ELIGIBLE TO CLAIM A RURAL HEALTH CARE
13 PRACTITIONER TAX CREDIT.
14

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

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

18 "7-2-18.22. [~~TAX CREDIT~~] RURAL HEALTH CARE PRACTITIONER
19 TAX CREDIT.--

20 A. A taxpayer who files an individual New Mexico
21 tax return, who is not a dependent of another individual, who
22 is an eligible health care practitioner and who has provided
23 health care services in New Mexico in a rural health care
24 underserved area in a taxable year may claim a credit against
25 the tax liability imposed by the Income Tax Act. The credit

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1 provided in this section may be referred to as the "rural
2 health care practitioner tax credit".

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

14 C. To qualify for the rural health care
15 practitioner tax credit, an eligible health care practitioner
16 shall have provided health care during a taxable year for at
17 least two thousand eighty hours at a practice site located in
18 an approved, rural health care underserved area. An eligible
19 rural health care practitioner who provided health care
20 services for at least one thousand forty hours but less than
21 two thousand eighty hours at a practice site located in an
22 approved rural health care underserved area during a taxable
23 year is eligible for one-half of the credit amount.

24 D. Before an eligible health care practitioner may
25 claim the rural health care practitioner tax credit, the

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

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

19 F. As used in this section:

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

21 (a) a certified nurse-midwife licensed
22 by the board of nursing as a registered nurse and licensed by
23 the public health division of the department of health to
24 practice nurse-midwifery as a certified nurse-midwife;

25 (b) a dentist or dental hygienist

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1 licensed pursuant to the Dental Health Care Act;

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

4 (d) an osteopathic physician [~~licensed~~
5 ~~pursuant to the provisions of Chapter 61, Article 10 NMSA 1978]~~
6 or an osteopathic physician assistant licensed pursuant to the
7 provisions of the Osteopathic [~~Physicians' Assistants]~~ Medicine
8 Act;

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

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

14 (g) a clinical psychologist licensed
15 pursuant to the provisions of the Professional Psychologist
16 Act; [~~and~~]

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

24 (i) an occupational therapist licensed
25 pursuant to the Occupational Therapy Act; and

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(j) a physical therapist licensed pursuant to the Physical Therapy Act;

(2) "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;

(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."

SECTION 2. APPLICABILITY.--The provisions of this act apply to taxable years beginning on or after January 1, 2020.