

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

HOUSE BILL 424

**47TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2006**

INTRODUCED BY

Edward C. Sandoval

AN ACT

RELATING TO TAXATION; PROVIDING GROSS RECEIPTS TAX DEDUCTIONS  
FOR CERTAIN HEALTH CARE PRACTITIONERS.

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,  
chiropractic physicians, counselor and therapist practitioners,  
dentists, massage therapists, naprapaths, nurses,  
nutritionists, dietitians, occupational therapists,

.160648.1

underscored material = new  
[bracketed material] = delete

underscored material = new  
[bracketed material] = delete

1 optometrists, pharmacists, physical therapists, psychologists,  
2 radiologic technologists, respiratory care practitioners,  
3 audiologists, speech-language pathologists and podiatrists or  
4 of medical, other health and palliative services by hospices or  
5 nursing homes to medicare beneficiaries pursuant to the  
6 provisions of Title 18 of the federal Social Security Act may  
7 be deducted from gross receipts.

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

13 C. Receipts from payments by the United States  
14 government or any agency thereof for medical services provided  
15 by a clinical laboratory to medicare beneficiaries pursuant to  
16 the provisions of Title 18 of the federal Social Security Act  
17 may be deducted from gross receipts [~~pursuant to the following~~  
18 ~~schedule:~~

19 ~~(1) from July 1, 2003 through June 30, 2004,~~  
20 ~~thirty-three and one-third percent of the receipts may be~~  
21 ~~deducted;~~

22 ~~(2) from July 1, 2004 through June 30, 2005,~~  
23 ~~sixty-six and two-thirds percent of the receipts may be~~  
24 ~~deducted; and~~

25 ~~(3) after June 30, 2005, one hundred percent~~

underscored material = new  
[bracketed material] = delete

1 ~~of the receipts may be deducted].~~

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

8 ~~(1) from July 1, 2003 through June 30, 2004,~~  
9 ~~thirty-three and one-third percent of the receipts may be~~  
10 ~~deducted;~~

11 ~~(2) from July 1, 2004 through June 30, 2005,~~  
12 ~~sixty-six and two-thirds percent of the receipts may be~~  
13 ~~deducted; and~~

14 ~~(3) after June 30, 2005, one hundred percent~~  
15 ~~of the receipts may be deducted].~~

16 E. For the purposes of this section:

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

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

23 ~~{1}~~ (3) "clinical laboratory" means a  
24 laboratory accredited pursuant to 42 USCA 263a;

25 (4) "counselor and therapist practitioner"

.160648.1

underscored material = new  
[bracketed material] = delete

1 means a person licensed to practice as a counselor or therapist  
2 pursuant to the provisions of Chapter 61, Article 9A NMSA 1978;

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

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

10 [~~(2)~~] (7) "home health agency" means a for-  
11 profit entity that is licensed by the department of health and  
12 certified by the federal centers for medicare and medicaid  
13 services as a home health agency and certified to provide  
14 medicare services;

15 [~~(3)~~] (8) "hospice" means a for-profit entity  
16 licensed by the department of health as a hospice and certified  
17 to provide medicare services;

18 (9) "massage therapist" means a person  
19 licensed to practice massage therapy pursuant to the provisions  
20 of Chapter 61, Article 12C NMSA 1978;

21 [~~(4)~~] (10) "medical doctor" means a person  
22 licensed as a physician to practice medicine pursuant to the  
23 provisions of the Medical Practice Act;

24 (11) "naprapath" means a person licensed as a  
25 naprapath pursuant to the provisions of Chapter 61, Article 12E

.160648.1

underscoring material = new  
[bracketed material] = delete

1 NMSA 1978;

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

5 [~~5~~] (13) "nursing home" means a for-profit  
6 entity licensed by the department of health as a nursing home  
7 and certified to provide medicare services;

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

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

14 [~~6~~] (16) "osteopathic physician" means a  
15 person licensed as an osteopathic physician pursuant to the  
16 provisions of Chapter 61, Article 10 NMSA 1978;

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

20 (18) "pharmacist" means a person licensed as a  
21 pharmacist pursuant to the provisions of Chapter 61, Article 11  
22 NMSA 1978;

23 (19) "physical therapist" means a person  
24 licensed as a physical therapist pursuant to the provisions of  
25 Chapter 61, Article 12D NMSA 1978;

.160648.1

underscored material = new  
[bracketed material] = delete

1                    [~~7~~] (20) "podiatrist" means a person  
2 licensed as a podiatrist pursuant to the provisions of the  
3 Podiatry Act; [~~and~~]

4                    (21) "psychologist" means a person licensed as  
5 a psychologist pursuant to the provisions of Chapter 61,  
6 Article 9 NMSA 1978;

7                    (22) "radiologic technologist" means a person  
8 licensed as a radiologic technologist pursuant to the  
9 provisions of Chapter 61, Article 14E NMSA 1978;

10                    (23) "respiratory care practitioner" means a  
11 person licensed as a respiratory care practitioner pursuant to  
12 the provisions of Chapter 61, Article 12B NMSA 1978;

13                    (24) "speech-language pathologist" means a  
14 person licensed as a speech-language pathologist pursuant to  
15 the provisions of Chapter 61, Article 14B NMSA 1978; and

16                    [~~8~~] (25) "TRICARE program" means the program  
17 defined in 10 U.S.C. 1072(7)."

18                    Section 2. EFFECTIVE DATE.--The effective date of the  
19 provisions of this act is July 1, 2006.