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SENATE BILL 455

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Don Kidd

AN ACT

RELATING TO TAXATION; ENACTING THE HEALTH CARE INVESTMENT CREDIT ACT; ALLOWING HEALTH CARE PROVIDERS TO CLAIM A GROSS RECEIPTS TAX CREDIT.

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

Section 1. SHORT TITLE.--This act may be cited as the Health Care Investment Credit Act".

Section 2. DEFINITIONS.--As used in the Health Care Investment Credit Act:

A. "department" means the taxation and revenue department, the secretary of taxation and revenue or any employee of the department exercising authority lawfully delegated to that employee by the secretary;

B. "health care investment credit" means the tax credit determined pursuant to Sections 5 and 6 of the Health

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1 Care Investment Credit Act;

2 C. "qualified health care services" means
3 medically necessary health care services provided by a
4 qualified health care provider to qualifying individuals;

5 D. "qualifying individuals" means individuals:

6 (1) with family incomes at or below two
7 hundred thirty-five percent of the poverty level under
8 guidelines published annually in the federal register by the
9 United States department of health and human services; or

10 (2) covered by the medicaid program
11 administered by the human services department; and

12 E. "qualified health care provider" means a
13 medical doctor, osteopath, optometrist, nurse practitioner,
14 podiatrist, psychologist or dentist licensed pursuant to
15 Chapter 61 NMSA 1978 or any professional corporation or other
16 legal entity formed to provide health care services and owned
17 solely by persons licensed to practice health care services of
18 the type provided by the professional corporation or other
19 legal entity.

20 Section 3. ADMINISTRATION OF HEALTH CARE INVESTMENT
21 CREDIT ACT. --The department is charged with the administration
22 of the Health Care Investment Credit Act.

23 Section 4. HEALTH CARE INVESTMENT CREDIT--CLAIMING THE
24 CREDIT. --

25 A. There shall be allowed as a credit against a

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1 qualified health care provider's gross receipts or
2 compensating tax due an amount equal to the health care
3 investment credit.

4 B. A qualified health care provider may apply all
5 or part of the credit against the qualified health care
6 provider's gross receipts or compensating tax due.

7 Section 5. HEALTH CARE INVESTMENT CREDIT. -- The health
8 care investment credit shall be an amount equal to the product
9 of twenty percent and the value of qualified health care
10 services determined pursuant to Section 6 of the Health Care
11 Investment Credit Act.

12 Section 6. VALUE OF QUALIFIED BELOW COST HEALTH CARE. --
13 The value of qualified health care services shall be an amount
14 determined by subtracting the amount actually charged for the
15 qualified health care services from either:

16 A. the reimbursement rate for such health care
17 services under medicare's participating physician's fee
18 schedule issued pursuant to the provisions of Title 18 of the
19 Social Security Act; or

20 B. if such services are not reimbursable pursuant
21 to Title 18 of the Social Security Act, one hundred thirty
22 percent of the reimbursement rate for such services under the
23 medicaid program administered by the human services
24 department.

1 FORTY-FOURTH LEGISLATURE

2 FIRST SESSION, 1999

3
4
5 February 17, 1999

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7 Mr. President:

8
9 Your WAYS & MEANS COMMITTEE, to whom has been referred

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11 SENATE BILL 455

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13 has had it under consideration and reports same with
14 recommendation that it DO PASS, and thence referred to the
15 FINANCE COMMITTEE.
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18 Respectfully submitted,

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24 Carlos R. Cisneros, Chairman
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1 Adopted _____ Not

2 Adopted _____

3 (Chief Clerk)

(Chief Clerk)

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6 Date _____

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9 The roll call vote was 8 For 0 Against

10 Yes: 8

11 No: 0

12 Excused: Carraro

13 Absent: None

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