

1 HOUSE BILL 437

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

4 Tara Jaramillo

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10 AN ACT

11 RELATING TO TAXATION; EXPANDING THE RURAL HEALTH CARE  
12 PRACTITIONER TAX CREDIT TO INCLUDE DOCTORS OF ORIENTAL  
13 MEDICINE, NATUROPATHIC DOCTORS, SPEECH-LANGUAGE PATHOLOGISTS,  
14 OCCUPATIONAL THERAPISTS, OCCUPATIONAL THERAPY ASSISTANTS,  
15 PHYSICAL THERAPISTS AND PHYSICAL THERAPIST ASSISTANTS.

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

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

20 "7-2-18.22. [~~TAX CREDIT~~] RURAL HEALTH CARE PRACTITIONER  
21 TAX CREDIT.--

22 A. A taxpayer who files an individual New Mexico  
23 tax return, who is not a dependent of another individual, who  
24 is an eligible health care practitioner and who has provided  
25 health care services in New Mexico in a rural health care

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1 underserved area in a taxable year may claim a credit against  
2 the tax liability imposed by the Income Tax Act. The credit  
3 provided in this section may be referred to as the "rural  
4 health care practitioner tax credit".

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

19 C. To qualify for the rural health care  
20 practitioner tax credit, an eligible health care practitioner  
21 shall have provided health care during a taxable year for at  
22 least two thousand eighty hours at a practice site located in  
23 an approved, rural health care underserved area. An eligible  
24 ~~rural~~ health care practitioner who provided health care  
25 services for at least one thousand forty hours but less than

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1 two thousand eighty hours at a practice site located in an  
2 approved rural health care underserved area during a taxable  
3 year is eligible for one-half of the credit amount.

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

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

24 F. As used in this section:

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

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1 (a) a certified nurse-midwife licensed  
2 by the board of nursing as a registered nurse and licensed by  
3 the public health division of the department of health to  
4 practice nurse-midwifery as a certified nurse-midwife;

5 (b) a dentist or dental hygienist  
6 licensed pursuant to the Dental Health Care Act;

7 (c) a doctor of oriental medicine  
8 licensed pursuant to the Acupuncture and Oriental Medicine  
9 Practice Act;

10 (d) a naturopathic doctor licensed  
11 pursuant to the Naturopathic Doctors' Practice Act;

12 (e) an occupational therapist or  
13 occupational therapy assistant licensed pursuant to the  
14 provisions of the Occupational Therapy Act;

15 [~~e~~] (f) an optometrist licensed  
16 pursuant to the provisions of the Optometry Act;

17 [~~d~~] (g) an osteopathic physician  
18 [~~licensed pursuant to the provisions of Chapter 61, Article 10~~  
19 ~~NMSA 1978 or an osteopathic physician assistant~~] licensed  
20 pursuant to the provisions of the [~~Osteopathic Physicians'~~  
21 ~~Assistants~~] Medical Practice Act;

22 [~~e~~] (h) a physician or physician  
23 assistant licensed pursuant to the provisions of [~~Chapter 61,~~  
24 ~~Article 6 NMSA 1978~~] the Medical Practice Act;

25 (i) a physical therapist or physical

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1 therapist assistant licensed pursuant to the Physical Therapy  
2 Act;

3 [~~(f)~~] (j) a podiatrist licensed pursuant  
4 to the provisions of the Podiatry Act;

5 [~~(g)~~] (k) a clinical psychologist  
6 licensed pursuant to the provisions of the Professional  
7 Psychologist Act; [~~and~~

8 ~~(h)~~] (l) a registered nurse in advanced  
9 practice who has been prepared through additional formal  
10 education as provided in Sections 61-3-23.2 through 61-3-23.4  
11 NMSA 1978 to function beyond the scope of practice of  
12 professional registered nursing, including certified nurse  
13 practitioners, certified registered nurse anesthetists and  
14 clinical nurse specialists; and

15 (m) a speech-language pathologist  
16 licensed pursuant to the Speech-Language Pathology, Audiology  
17 and Hearing Aid Dispensing Practices Act;

18 (2) "health care underserved area" means a  
19 geographic area or practice location in which it has been  
20 determined by the department of health, through the use of  
21 indices and other standards set by the department of health,  
22 that sufficient health care services are not being provided;

23 (3) "practice site" means a private practice,  
24 public health clinic, hospital, public or private nonprofit  
25 primary care clinic or other health care service location in a

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1 health care underserved area; and

2 (4) "rural" means an area or location  
3 identified by the department of health as falling outside of an  
4 urban area."

5 SECTION 2. APPLICABILITY.--The provisions of this act  
6 apply to taxable years beginning on or after January 1, 2022.

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