

# New Mexico Rural Health Care Practitioner Tax Credit Program

## Tax Year 2015

### Overview:

Pursuant to the Rural Health Care Practitioner Tax Credit Program, eligible health care practitioners who have provided health care services in a designated rural health care underserved area can apply for an income tax credit. This credit will be available to eligible taxpayers for taxable years beginning January 1, 2009.

### Eligible Practitioners: Which practitioners are eligible for a tax credit?

The following categories of practitioner are eligible for a maximum tax credit of \$5,000 per year:

- **Physicians** licensed by the New Mexico Medical Board;
- **Osteopathic physicians** licensed by the New Mexico Board of Osteopathic Medical Examiners;
- **Dentists** licensed by the New Mexico Board of Dental Health Care;
- **Clinical psychologists** licensed by the New Mexico Board of Psychologist Examiners;
- **Podiatrists** licensed by the New Mexico Board of Podiatry; and
- **Optometrists** licensed by the New Mexico Board of Examiners in Optometry.

The following categories of practitioner are eligible for a maximum tax credit of \$3,000 per year:

- **Dental hygienists** licensed by the New Mexico Board of Dental Health Care;
- **Physician assistants** licensed by the New Mexico Medical Board;
- **Nurse practitioners** licensed/certified by the New Mexico Board of Nursing;
- **Nurse-midwives** licensed/certified by the New Mexico Board of Nursing and the New Mexico Department of health;
- **Nurse anesthetists** licensed/certified by the New Mexico Board of Nursing; and
- **Clinical nurse specialists** licensed/certified by the New Mexico Board of Nursing.

Federal healthcare practitioners licensed to practice in other states are not required to be licensed by the New Mexico boards, but must furnish a copy of their current equivalent license from their state of licensure.

### Approved Practice Locations: Which rural areas/facilities are designated as approved practice locations under the Program?

The New Mexico Department of Health utilizes the “Am I Rural” website that is located at the following link <http://www.raconline.org/amirural/> to determine if practice sites meet the requirement of “rural”. The “Am I Rural” site uses various federal eligibility criteria to determine status.

**Application Process:** How do you apply for and receive a tax credit?

There are four steps in the Rural Health Care Practitioner Tax Credit application process:

- An applicant for a Rural Health Care Practitioner Tax Credit must submit an application to the NM Department of Health documenting completion of a year-long health care practice at an approved location.
- The NMDOH will review the application and issue a Certificate of Eligibility to qualifying health care practitioners.
- The applicant will then complete a Tax Credit Claim form, available from the NM Taxation and Revenue Department.
- The applicant will attach the completed claim form, and tax credit Certificate of Eligibility to the taxpayer's New Mexico income tax return. The Certificate of Eligibility must be for the same taxable year as the income tax return.

**Program Start Date:** When can applications be submitted?

Applications for the tax credit program will be accepted by the NM Department of Health beginning January 1 of each year for the previous tax year. The application provides information demonstrating the health care practitioner's practice at an approved location for the taxable year beginning January 1 of the prior year.

**Tax Credit Requested:** Please indicate whether you are requesting a full-time or part-time tax credit. The authorizing statute for the Program permits a full-time credit for eligible health care practitioners who have "*provided health care during a taxable year for at least 2080 hours*" at an eligible practice site. The statute permits a one-half credit amount for eligible health care practitioners who have "*provided health care services for at least 1040 hours but less than 2080 hours*" at an eligible practice site.

For purposes of the Tax Credit Program, the *provision of health care* includes, but is not limited to:

- Time providing services to patients;
- Time traveling to eligible practice locations;
- Time managing/administering health care provision;
- Time participating in continuing professional education; and
- Time on routine annual or sick leave.

**Contact Information:**

For questions about the Rural Health Care Practitioner Tax Credit Program, please email the New Mexico Rural Health Practitioner Tax Credit Program at [RHCP.TaxCredit@state.nm.us](mailto:RHCP.TaxCredit@state.nm.us) .

**All questions and concerns will be promptly addressed.**