

## New Mexico Rural Health Care Practitioner Tax Credit Program

Pursuant to the New Mexico Department of Health (NMDOH)'s 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 Program began on 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 NMDOH utilizes the Rural Health Information (RHI) Hub's "Am I Rural?" Tool to determine if a practice site address is in a rural area.

- The "Am I Rural?" Tool uses federal definitions of rural, including eligibility criteria for federal programs, to determine whether a specific location is considered rural.
- RHI is supported by the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS) under the Rural Assistance Center for Federal Office of Rural Health Policy (FORHP).
- "Am I Rural?" Tool link: <http://www.raconline.org/amirural/>

**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:

1. An application must be submitted online at [rhcptc.nmhealth.org](http://rhcptc.nmhealth.org) to the NMDOH documenting completion of a year-long providing health care services at an approved rural location.
2. The NMDOH will review the completed application. If an applicant meets all eligibility requirements, NMDOH will issue a Certificate of Eligibility to qualifying health care practitioners to the email address provided on the application.
3. It is the applicant's responsibility to then complete a Tax Credit Claim form, which is available from the NM Taxation and Revenue Department (TRD).
4. It is the applicant's responsibility to include both the completed TRD's Tax Credit Claim form and NMDOH's Tax Credit Certificate of Eligibility when filing their personal New Mexico income tax return. **Please note** – The DOH's Certificate of Eligibility must be for the same taxable year as the income tax return.

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

Applications will be accepted by the NMDOH beginning on January 1<sup>st</sup> of each year for the previous tax year. By applying, the health care providers are providing information demonstrating the health care practitioner's provided health care services in an approved rural location for the taxable year beginning January 1st of the prior year.

**Tax Credit Requested:**

The statute permits a **full-time credit** for eligible health care practitioners who have "*provided health care services during a taxable year for at least 2080 hours*" at an eligible rural 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 rural 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 us at [RHCP.TaxCredit@doh.nm.gov](mailto:RHCP.TaxCredit@doh.nm.gov).