

RÉSUMÉ DIGEST

ACT 342 (HB 427)

2017 Regular Session

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Existing law authorizes a tax credit for up to five years for medical doctors.

Prior law limited the tax credits to medical doctors who establish and maintain their primary office within 20 miles of a community hospital not owned predominately by other physicians, provided both the office and hospital are located more than 20 miles from the nearest city of 30,000 or more, and the physician relocates the office from outside the hospital's service area.

New law deletes the limiting criteria for medical doctors regarding eligibility for the tax credit and expands eligibility of the tax credit to licensed physicians and primary care nurse practitioners whose primary offices are within a federally designated primary care needs geographic health professional shortage area and within a rural area as defined by the La. Dept. of Health (LDH).

Existing law provides a tax credit for up to five years to dentists who establish and maintain a primary office within a federally designated Dental Health Professional Shortage Area.

New law adds requirement that the dentist office be located in a rural area as defined by LDH.

New law requires LDH to be responsible for receiving applications for the tax credit and certifying the eligibility of taxpayers for the credit. Tax credits are earned when the taxpayer's eligibility is certified by LDH. If a taxpayer does not maintain the requirements of new law, the tax credit amounts certified shall be subject to disallowance or recapture. Prohibits a taxpayer from receiving the credit for more than 5 years.

New law requires the Dept. of Revenue, in consultation with LDH, to promulgate rules in accordance with the APA for the performance of LDH's responsibilities, including an application process for certifying the eligibility of primary care health providers to receive the credit and to claim the credit. Further requires that the rules and regulations establish a method of allocating available tax credits.

New law limits the total amount of tax credits certified by LDH and granted by the Dept. of Revenue to \$1.5 million per year.

New law requires the House Committee on Ways and Means and the Senate Committee on Revenue and Fiscal Affairs to review new and existing law. Further provides that the review may include an evaluation of the increase or decrease in the number of qualifying professionals.

New law prohibits tax credits from being certified for applications received on or after Jan. 1, 2021.

Effective Jan. 1, 2018.

(Amends R.S. 47:297(H)(2)(a), (b), and (c) and (3); Adds R.S. 47:297(H)(4)-(7))