

2019 Regular Session

HOUSE BILL NO. 280

BY REPRESENTATIVE MCFARLAND AND SENATOR LONG

TAX CREDITS: Authorizes an income tax credit for certain primary care physician assistants

1 AN ACT

2 To amend and reenact R.S. 47:297(H)(2)(a), (b)(ii), (c), (d), and (e) and (3) and to enact R.S.
3 47:297 (H)(2)(f), relative to the individual income tax; to authorize an income tax
4 credit for certain physician assistants; to provide for the amount of the credit; to
5 provide for certain requirements; to provide for an effective date; and to provide for
6 related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:297(H)(2)(a), (b)(ii), (c), (d), and (e) and (3) are hereby amended
9 and reenacted and R.S. 47:297 (H)(2)(f) is hereby enacted to read as follows:

10 §297. Reduction to tax due

11 * * *

12 H.

13 * * *

14 (2) The taxpayer shall:

15 (a) Be a certified medical primary care health professional who is a
16 physician possessing an unrestricted license from this state to practice medicine, a
17 dentist licensed by this state to practice dentistry, ~~or~~ a primary care nurse practitioner
18 who is licensed by this state, or a primary care physician assistant licensed by this
19 state.

1 (b)

2 * * *

3 (ii) A rural area as defined in rules promulgated by the ~~Louisiana~~
4 Department of ~~Health~~ Revenue.

5 (c) If a dentist, establish and maintain, after July 1, 2002, the primary office
6 of his practice within an area which is designated as a Dental Health Professional
7 Shortage Area (HPSA) by the U.S. Department of Health and Human Services'
8 Health Resources and Services Administration's Bureau of Health Workforce,
9 Division of Policy and Shortage Designation (DPSD) as per Section 332 of the
10 Public Health Service Act and a rural area as defined in rules promulgated by the
11 ~~Louisiana~~ Department of ~~Health~~ Revenue. Subject to the limits of Paragraph (3) of
12 this Subsection, the provisions of this Subsection will continue to be available to the
13 dentist if the Dental HPSA designation is withdrawn after the practice is established
14 at that location.

15 (d) If a physician assistant, establish and maintain, after July 1, 2019, the
16 primary office of his practice within an area as defined in rules promulgated by the
17 Louisiana Department of Health as a primary care high-needs geographic health
18 professional shortage area (HPSA), as designated by the U.S. Department of Health
19 and Human Services' Health Resources and Services Administration's Bureau of
20 Health Workforce, Division of Policy and Shortage Designation (DPSD), as per
21 Section 332 of the Public Health Service Act and a rural area as defined in rules
22 promulgated by the Department of Revenue.

23 ~~(d)~~(e) Agree to practice under the conditions set forth herein for a period of
24 not less than three years. The tax reduction provided herein shall continue to be
25 available for two additional years if the remaining conditions of this Subsection
26 continue to be met.

27 ~~(e)~~(f) Accept Medicaid and Medicare payments for services rendered.

28 (3) The provisions of this Subsection shall be available to a physician,
29 primary care nurse practitioner, ~~or dentist, or primary care physician assistant~~ for

1 only one relocation and only for a maximum of five years. In the event that the
2 physician, primary care nurse practitioner, ~~or dentist,~~ or primary care physician
3 assistant ceases to comply with these provisions within the three-year period, all
4 taxes reduced hereunder shall be subject to recapture pursuant to rules promulgated
5 by the department.

6 * * *

7 Section 2. The provisions of this Act shall be applicable to tax periods beginning on
8 or after January 1, 2020.

9 Section 3. This Act shall become effective upon signature by the governor or, if not
10 signed by the governor, upon expiration of the time for bills to become law without signature
11 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
12 vetoed by the governor and subsequently approved by the legislature, this Act shall become
13 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 280 Reengrossed 2019 Regular Session McFarland

Abstract: Authorizes an income tax credit equal to the lesser of the taxpayer's tax liability or \$3,600 for a maximum of five years for physician assistants who practice in rural areas.

Present law authorizes an income tax credit in an amount equal to the lesser of the taxpayer's tax liability or \$3,600 per taxable year for a licensed medical physician or primary care nurse practitioner who has their primary office in a rural area which is designated as a health professional shortage area (HPSA) by the U.S. Dept. of Health and Human Services. Present law authorize the Dept. of Health to define "rural area". Further requires primary care health professionals to practice for not less than three years and accept Medicaid and Medicare payments for services. The tax credit is available for only one relocation and only for a maximum of five years.

Proposed law retains present law but changes the department responsible for defining "rural area" from the La. Dept. of Health to the Dept. of Revenue.

Present law limits the total amount of credits granted by the Dept. of Revenue (DOR) in a calendar year to \$1.5 million. Further prohibits DOR from certifying applications for the credit on or after Jan. 1, 2021.

Proposed law retains present law but adds licensed primary care physician assistants who establish and maintain a primary office of their practice within a primary care high-needs geographic HPSA to the list of primary care health professionals eligible for the credit.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

Effective upon signature of governor or lapse of time for gubernatorial action and applicable to tax periods beginning on or after Jan. 1, 2020.

(Amends R.S. 47:297(H)(2)(a), (b)(ii), (c), (d), and (e) and (3); Adds R.S. 47:297(H)(2)(f))

Summary of Amendments Adopted by House

The House Floor Amendments to the engrossed bill:

1. Change the department responsible for defining "rural area" from the Dept. of Health to the Dept. of Revenue.
2. Add effective date of upon signature of governor or lapse of time for gubernatorial action.
3. Clarify that proposed law is applicable to tax periods beginning on or after Jan. 1, 2020.