

HB 2552 STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

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Sub-Referral To: Joint Committee On Tax Expenditures

Meeting Dates: 2/7, 3/27

WHAT THE MEASURE DOES:

Removes eligibility limitation based on adjusted gross income for rural medical provider income tax credit. Doubles amount of credit. Applies to tax years beginning on or after January 1, 2023. Takes effect on 91st day following adjournment sine die.

FISCAL: Has minimal fiscal impact

REVENUE: Revenue impact issued

ISSUES DISCUSSED:

- Health care workforce challenges in rural areas
- Impact of tax credits on health care practitioner recruitment and retention
- Impact of current income limitation on ability to recruit specialists to rural areas

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Many medical practitioners who provide care in rural parts of the state are eligible for a tax credit based on the distance from a major population center their practice is based. In addition to being based in a rural area, the practitioner must remain willing to serve Medicare and Medicaid beneficiaries. The credit is available to practitioners licensed as certified registered nurse anesthetists, dentists, doctors of medicine, doctors of osteopathic medicine, nurse practitioners, optometrists, physician assistants, and podiatrists.

House Bill 2552 would remove the income limitation and double the credit amount of the rural medical provider tax credit.