

1 SB187
2 197766-1
3 By Senator Singleton
4 RFD: Finance and Taxation General Fund
5 First Read: 02-APR-19

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8 SYNOPSIS: Existing law provides for a state tax credit
9 for physicians practicing in rural areas.

10 This bill would provide a similar state tax
11 credit for certified registered nurse practitioners
12 and certified registered nurse anesthetists who
13 practice in rural areas.

14
15 A BILL
16 TO BE ENTITLED
17 AN ACT

18
19 Relating to state income tax credits; to amend
20 Sections 40-18-130, 40-18-131, and 40-18-132, Code of Alabama
21 1975; to extend the tax credit for physicians practicing in
22 rural areas to certified registered nurse practitioners and
23 certified registered nurse anesthetists who practice in rural
24 areas; and to apply this act beginning with the 2019 income
25 tax year.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. Sections 40-18-130, 40-18-131, and
2 40-18-132, Code of Alabama 1975, are amended to read as
3 follows:

4 "§40-18-130.

5 "It is the intent of the Legislature to institute
6 programs that will make rural Alabama communities more
7 competitive ~~with other states~~ in the recruitment and retention
8 of physicians and reduce inequities that a ~~small or~~ rural
9 hospital and small ~~or,~~ rural communities have in the funding
10 and recruitment of ~~physician services~~ physicians and advance
11 practice nurses.

12 "§40-18-131.

13 "For the purposes of this article, the following
14 words have the following meanings, respectively, unless the
15 context clearly indicates otherwise:

16 "(1) RURAL CERTIFIED REGISTERED NURSE ANESTHETIST. A
17 nurse licensed as a certified registered nurse anesthetist in
18 this state who practices and resides in a small or rural
19 community and practices for an annual average of at least 20
20 hours per week.

21 "(2) RURAL CERTIFIED REGISTERED NURSE PRACTITIONER.
22 A nurse licensed as a certified registered nurse practitioner
23 in this state who practices and resides in a small or rural
24 community and practices for an annual average of at least 20
25 hours per week.

26 "~~(1)~~ (3) RURAL PHYSICIAN. A physician licensed to
27 practice medicine in Alabama who practices and resides in a

1 small or rural community and has admission privileges to a
2 small or rural hospital.

3 "~~(2)~~(4) SMALL OR RURAL COMMUNITY. A community in
4 Alabama that has less than 25,000 residents according to the
5 latest decennial census and has a hospital with an emergency
6 room.

7 "~~(3)~~(5) SMALL OR RURAL HOSPITAL. An acute care
8 hospital that meets one of the following requirements:

9 "a. Contains less than 105 beds and is located more
10 than 20 miles, under normal travel conditions, from another
11 acute care hospital located in Alabama.

12 "b. Receives Medicare rural reimbursement from the
13 federal government.

14 "§40-18-132.

15 "(a) Beginning with the 1994 tax year, a person
16 qualifying as a rural physician shall be allowed a credit
17 against the tax imposed by Section 40-18-2, in the sum of
18 ~~\$5,000~~ five thousand dollars (\$5,000). No credit shall be
19 allowed to a rural physician who is, on May 4, 1993,
20 practicing in a small or rural community. No credit shall be
21 allowed to a physician who has previously practiced in a small
22 or rural community unless, after May 4, 1993, that physician
23 returns to practice in a small or rural community after having
24 practiced in a large or urban community for at least three
25 years. The tax credit may be claimed for not more than five
26 consecutive tax years.

1 "(b) Beginning with the 2019 tax year, a person
2 qualifying as a rural certified registered nurse practitioner
3 or certified registered nurse anesthetist shall be allowed a
4 credit against the tax imposed by Section 40-18-2, in the sum
5 of five thousand dollars (\$5,000). No credit shall be allowed
6 to a certified registered nurse practitioner or certified
7 registered nurse anesthetist who is, on the effective date of
8 the act adding this amendatory language, practicing in a small
9 or rural community. No credit shall be allowed to a certified
10 registered nurse practitioner or certified registered nurse
11 anesthetist who has previously practiced in a small or rural
12 community unless, after the effective date of the act adding
13 this amendatory language, the certified registered nurse
14 practitioner or certified registered nurse anesthetist returns
15 to practice in a small or rural community after having
16 practiced in a large or urban community for at least three
17 years. The tax credit may be claimed for not more than 10
18 consecutive tax years.

19 "(c) The Department of Revenue shall ~~promulgate any~~
20 ~~adopt~~ rules ~~and regulations necessary~~ to implement and
21 administer ~~the provisions of~~ this article."

22 Section 2. This act shall become effective
23 immediately upon its passage and approval by the Governor, or
24 its otherwise becoming law.