

1 HB236  
2 203943-2  
3 By Representative South  
4 RFD: Ways and Means Education  
5 First Read: 13-FEB-20

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

This bill would provide a similar state tax credit for certified registered nurse anesthetists who practice in rural areas.

A BILL  
TO BE ENTITLED  
AN ACT

Relating to state income tax credits; to amend Sections 40-18-130, 40-18-131, and 40-18-132, Code of Alabama 1975; to extend the tax credit for physicians practicing in rural areas to certified registered nurse anesthetists who practice in rural areas; and to apply this act beginning with the 2020 income tax year.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

1           "§40-18-130.

2           "It is the intent of the Legislature to institute  
3 programs that will make rural Alabama communities more  
4 competitive ~~with other states~~ in the recruitment and retention  
5 of physicians and reduce inequities that a ~~small or~~ rural  
6 hospital and small or rural communities have in the funding  
7 and recruitment of ~~physician services~~ physicians and certified  
8 registered nurse anesthetists.

9           "§40-18-131.

10          "For the purposes of this article, the following  
11 words have the following meanings, respectively, unless the  
12 context clearly indicates otherwise:

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

18           "~~(1)~~ (2) RURAL PHYSICIAN. A physician licensed to  
19 practice medicine in Alabama who practices and resides in a  
20 small or rural community and has admission privileges to a  
21 small or rural hospital.

22           "~~(2)~~ (3) SMALL OR RURAL COMMUNITY. A community in  
23 Alabama that has less than 25,000 residents according to the  
24 latest decennial census and has a hospital with an emergency  
25 room.

26           "~~(3)~~ (4) SMALL OR RURAL HOSPITAL. An acute care  
27 hospital that meets one of the following requirements:

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

4           "b. Receives Medicare rural reimbursement from the  
5 federal government.

6           "§40-18-132.

7           "(a) Beginning with the 1994 tax year, a person  
8 qualifying as a rural physician shall be allowed a credit  
9 against the tax imposed by Section 40-18-2, in the sum of  
10 ~~\$5,000~~ five thousand dollars (\$5,000). No credit shall be  
11 allowed to a rural physician who is, on May 4, 1993,  
12 practicing in a small or rural community. No credit shall be  
13 allowed to a physician who has previously practiced in a small  
14 or rural community unless, after May 4, 1993, that physician  
15 returns 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 five  
18 consecutive tax years.

19           "(b) Beginning with the 2020 tax year, a person  
20 qualifying as a rural certified registered nurse anesthetist  
21 shall be allowed a credit against the tax imposed by Section  
22 40-18-2, in the sum of five thousand dollars (\$5,000). No  
23 credit shall be allowed to a certified registered nurse  
24 anesthetist who is, prior to January 1, 2020, practicing in a  
25 small or rural community. No credit shall be allowed to a  
26 certified registered nurse anesthetist who has previously  
27 practiced in a small or rural community unless, after January

1 1, 2020, the certified registered nurse anesthetist returned  
2 or returns to practice in a small or rural community after  
3 having practiced in a large or urban community for at least  
4 three years. The tax credit may be claimed for not more than  
5 five consecutive tax years.

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

9 Section 2. This act shall become effective  
10 immediately upon its passage and approval by the Governor, or  
11 its otherwise becoming law.