

**HB 2552 STAFF MEASURE SUMMARY**

**House Committee On Behavioral Health and Health Care**

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**Action Date:** 03/27/23

**Action:** Do pass and be referred to Tax Expenditures by prior reference

**Vote:** 9-0-2-0

**Yeas:** 9 - Bowman, Conrad, Diehl, Goodwin, Morgan, Nelson, Nosse, Pham H, Tran

**Exc:** 2 - Dexter, Javadi

**Fiscal:** Has minimal fiscal impact

**Revenue:** Revenue impact issued

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**Meeting Dates:** 2/7, 3/27

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**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.

**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 where their practice is based. In addition to working 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 removes the income limitation and doubles the credit amount of the rural medical provider tax credit.