

1 HB10
2 154005-1
3 By Representative Nordgren
4 RFD: Ways and Means Education
5 First Read: 14-JAN-14
6 PFD: 10/02/2013

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8 SYNOPSIS: This bill would establish a state income tax
9 credit for physicians and dentists providing free
10 qualified services to Medicaid recipients. The
11 state income tax credit would be contingent upon
12 the federal government enacting a federal income
13 tax credit for free services provided to Medicaid
14 recipients and would be equal to a portion of the
15 federal income tax credit amount.

16
17 A BILL
18 TO BE ENTITLED
19 AN ACT
20

21 To provide a state income tax credit for physicians
22 and dentists that provide free Medicaid approved services to
23 Medicaid recipients; to provide that the state credit would be
24 contingent upon the federal government enacting a federal
25 income tax credit for free services provided to Medicaid
26 recipients; and to provide that the state credit would be
27 equal to a portion of the federal credit amount.

1 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

2 Section 1. The Legislature declares that the purpose
3 of this act is to encourage both physicians and dentists to
4 treat Medicaid patients in the State of Alabama.

5 Section 2. As used in this act, the following terms
6 shall have the following meanings:

7 (1) MEDICAID SERVICES. Services for which a
8 qualified physician or a qualified dentist would be eligible
9 for payment under the Alabama Medicaid Program.

10 (2) MEDICAID RECIPIENT. An individual who is
11 qualified to receive health care services under the Alabama
12 Medicaid Program.

13 (3) QUALIFIED PHYSICIAN. A physician who is an
14 approved provider of Medicaid services.

15 (4) QUALIFIED DENTIST. A dentist who is an approved
16 provider of Medicaid services.

17 Section 3. (a) Beginning with the first tax year
18 following the enactment of federal legislation establishing a
19 federal income tax credit for qualified physicians and
20 qualified dentists who provide free Medicaid services to
21 Medicaid recipients, an Alabama income tax credit shall be
22 allowed to any taxpayer who is a qualified dentist or
23 qualified physician and who provides free Medicaid services to
24 any Medicaid recipient.

25 (b) The Alabama income tax credit authorized by this
26 act shall be implemented only in the event that federal
27 legislation is enacted establishing a comparable federal

1 income tax credit. The Alabama income tax credit shall be
2 equal to thirty-five percent (35%) of the federal income tax
3 credit amount.

4 (c) No Alabama income tax credit shall be granted
5 pursuant to this act to any qualified physician or qualified
6 dentist who claims an Alabama income tax deduction for any
7 free Medicaid services provided to Medicaid recipients.

8 (d) The Department of Revenue shall promulgate
9 rules necessary for the implementation and administration of
10 this act and shall work with the Alabama Medicaid Agency to
11 implement procedures for remittance of information that are
12 cost effective for qualified physicians and dentists.

13 Section 4. The provisions of this act are severable.
14 If any part of this act is declared invalid or
15 unconstitutional, that declaration shall not affect the part
16 which remains.

17 Section 5. This act shall become effect immediately
18 upon its passage and approval by the Governor, or its
19 otherwise becoming law.