

MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 440

S.P. 172

In Senate, February 14, 2013

**An Act To Support Community Health Centers through Tax
Credits for Dentists and Primary Care Professionals Practicing in
Underserved Areas**

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator JACKSON of Aroostook.
Cosponsored by Senators: CAIN of Penobscot, FLOOD of Kennebec, HASKELL of
Cumberland, THOMAS of Somerset, Representatives: GOODE of Bangor, KNIGHT of
Livermore Falls, STANLEY of Medway.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 36 MRSA §5219-DD**, as amended by PL 2011, c. 434, §§1 to 3, is further
3 amended to read:

4 **§5219-DD. Dental care access credit**

5 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
6 following terms have the following meanings.

7 A. "Eligible dentist" means a person licensed as a dentist under Title 32, chapter 16,
8 subchapter 3 who, after January 1, 2009:

9 (1) First begins practicing dentistry in the State by joining an existing dental
10 practice in an underserved area or establishing a new dental practice or
11 purchasing an existing dental practice in an underserved area;

12 (2) Agrees to practice full time for at least 5 years in an underserved area; ~~and~~

13 (3) Is certified under subsection 3 to be eligible by the oral health program; and

14 (4) Beginning January 1, 2016, has an unpaid student loan.

15 B. "Oral health program" means the program within the Department of Health and
16 Human Services with responsibility for oral health promotion and dental disease
17 prevention activities.

18 C. "Underserved area" means an area in the State that is a dental health professional
19 shortage area as defined by the federal Department of Health and Human Services,
20 Health Resources and Services Administration.

21 **2. Credit.** An eligible dentist determined to be eligible before January 1, 2012 is
22 allowed a credit for each taxable year, not to exceed \$15,000, against the taxes due under
23 this Part. For dentists determined to be eligible on or after January 1, 2012 but before
24 January 1, 2016, an eligible dentist is allowed a credit for each taxable year, not to
25 exceed \$12,000, against the taxes due under this Part. ~~The For dentists determined to be~~
26 eligible before January 1, 2016, the credit may be claimed in the first year that the eligible
27 dentist meets the conditions of eligibility for at least 6 months and each of the 4
28 subsequent years. For dentists determined to be eligible on or after January 1, 2016, an
29 eligible dentist is allowed a credit for each taxable year, not to exceed \$12,000, against
30 the taxes due under this Part and the credit may be claimed in the first year that the
31 eligible dentist meets the conditions of eligibility for at least 6 months and each of the 4
32 subsequent years or until the student loan of the eligible dentist is paid in full, whichever
33 comes first. The credit is not refundable.

34 **3. Eligibility limitation; certification.** The oral health program shall certify up to 5
35 eligible dentists in each year in 2009, 2010 and 2011 ~~and~~, up to 6 ~~additional~~ eligible
36 dentists in each year from 2012 through 2015 and up to 5 eligible dentists in each year
37 beginning in 2016. Additional dentists may not be certified after 2015. The oral health
38 program shall monitor certified dentists to ensure that they continue to be eligible for the
39 credit under this section and shall decertify any dentist who ceases to meet the conditions
40 of eligibility. The oral health program shall notify the bureau whenever a dentist is

1 certified or decertified. A decertified dentist ceases to be eligible for the credit under this
2 section beginning with the tax year during which the dentist is decertified.

3 ~~4. **Review.** By March 1, 2011, the oral health program shall submit to the joint~~
4 ~~standing committee of the Legislature having jurisdiction over taxation matters a report~~
5 ~~that analyzes the effectiveness of the credit provided by this section in attracting dentists~~
6 ~~to underserved areas and recommending whether the credit should be retained, repealed~~
7 ~~or amended. The committee may submit legislation to the First Regular Session of the~~
8 ~~125th Legislature related to the report.~~

9 **5. Rules.** The Department of Health and Human Services may adopt rules to
10 implement this section. Rules adopted pursuant to this section are routine technical rules
11 as defined in Title 5, chapter 375, subchapter 2-A.

12 ~~6. **Repeal.** This section is repealed December 31, 2020.~~

13 **Sec. 2. 36 MRSA §5219-II** is enacted to read:

14 **§5219-II. Primary care access credit**

15 **1. Definitions.** As used in this section, unless the context otherwise indicates, the
16 following terms have the following meanings.

17 A. "Eligible primary care professional" means a person licensed under Title 32,
18 chapter 31, subchapter 3 or subchapter 4; Title 32, chapter 36, subchapter 4; or Title
19 32, chapter 48, subchapter 2 and who, on or after January 1, 2013:

20 (1) First begins practicing primary care medicine in the State by joining an
21 existing health care practice in an underserved area or establishing a new health
22 care practice or purchasing an existing health care practice in an underserved
23 area;

24 (2) Agrees to practice full time for at least 5 years in an underserved area;

25 (3) Is certified under subsection 3 to be eligible by the Department of Health and
26 Human Services; and

27 (4) Has an unpaid student loan.

28 B. "Underserved area" means an area in the State that is a health professional
29 shortage area or medically underserved area as defined by the federal Department of
30 Health and Human Services, Health Resources and Services Administration.

31 **2. Credit.** An eligible primary care professional is allowed a credit, not to exceed
32 \$12,000, against the taxes due under this Part. The credit may be claimed in the first year
33 that the eligible primary care professional meets the conditions of eligibility for at least 6
34 months and each of the 4 subsequent years or until the student loan of the eligible primary
35 care professional is paid in full, whichever comes first. The credit may not reduce the tax
36 due under this Part to less than zero.

37 **3. Eligibility limitation; certification.** The Department of Health and Human
38 Services shall certify up to 5 eligible primary care professionals each year. The

1 Department of Health and Human Services shall monitor certified primary care
2 professionals to ensure that they continue to be eligible for the credit under this section
3 and shall decertify any primary care professional who ceases to meet the conditions of
4 eligibility. The Department of Health and Human Services shall notify the bureau
5 whenever a primary care professional is certified or decertified. A decertified primary
6 care professional ceases to be eligible for the credit under this section beginning with the
7 tax year during which the primary care professional is decertified.

8 **4. Rules.** The Department of Health and Human Services may adopt rules to
9 implement this section. Rules adopted pursuant to this subsection are routine technical
10 rules as defined in Title 5, chapter 375, subchapter 2-A.

11 **SUMMARY**

12 This bill extends the existing dental care access tax credit, which currently allows the
13 Department of Health and Human Services to certify dentists as eligible for the credit
14 through 2015, by eliminating the repeal date of December 31, 2020. It creates a similar
15 credit for primary care professionals practicing in underserved areas. It requires the
16 Department of Health and Human Services oral health program to certify up to 5 eligible
17 dentists who have unpaid student loans and practice full time for at least 5 years in an
18 underserved area for the dental care access credit in each taxable year beginning on
19 January 1, 2016. It requires the Department of Health and Human Services to certify up
20 to 5 eligible primary care professionals who have unpaid student loans and practice full
21 time for at least 5 years in an underserved area for the primary care access credit in each
22 taxable year beginning on January 1, 2013. These eligible dentists and primary care
23 professionals may claim a credit, not to exceed \$12,000, for up to 5 years or until their
24 student loans are paid in full, whichever comes first. The credit is nonrefundable.