

TAX CREDIT FOR MEDICAL INSTRUCTORS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jennifer Dailey-Provost

Senate Sponsor: _____

LONG TITLE**General Description:**

This bill creates a nonrefundable individual income tax credit for medical instructors.

Highlighted Provisions:

This bill:

- ▶ creates a nonrefundable income tax credit for medical instructors;
- ▶ defines terms;
- ▶ creates an application process for a medical instructor to apply to the Division of Occupational and Professional Licensing for a tax credit certificate; and
- ▶ requires the Division of Occupational and Professional Licensing to issue tax credit certificates.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:**AMENDS:**

58-1-106, as last amended by Laws of Utah 2018, Chapter 318

ENACTS:

58-1-112, Utah Code Annotated 1953

59-10-1041, Utah Code Annotated 1953



Be it enacted by the Legislature of the state of Utah:

Section 1. Section **58-1-106** is amended to read:

58-1-106. Division -- Duties, functions, and responsibilities.

(1) The duties, functions, and responsibilities of the division include the following:

(a) prescribing, adopting, and enforcing rules to administer this title;

(b) investigating the activities of any person whose occupation or profession is regulated or governed by the laws and rules administered and enforced by the division;

(c) subpoenaing witnesses, taking evidence, and requiring by subpoena duces tecum the production of any books, papers, documents, records, contracts, recordings, tapes, correspondence, or information relevant to an investigation upon a finding of sufficient need by the director or by the director's designee;

(d) taking administrative and judicial action against persons in violation of the laws and rules administered and enforced by the division, including the issuance of cease and desist orders;

(e) seeking injunctions and temporary restraining orders to restrain unauthorized activity;

(f) complying with Title 52, Chapter 4, Open and Public Meetings Act;

(g) issuing, refusing to issue, revoking, suspending, renewing, refusing to renew, or otherwise acting upon any license;

(h) preparing and submitting to the governor and the Legislature an annual report of the division's operations, activities, and goals;

(i) preparing and submitting to the executive director a budget of the expenses for the division;

(j) establishing the time and place for the administration of examinations; ~~and~~

(k) preparing lists of licensees and making these lists available to the public at cost upon request unless otherwise prohibited by state or federal law[:]; and

(l) issuing a tax credit certificate as required by Section [58-1-111](#) or [58-1-112](#).

(2) The division may not include home telephone numbers or home addresses of licensees on the lists prepared under Subsection (1)(k), except as otherwise provided by rules of the division made in accordance with Title 63G, Chapter 3, Utah Administrative

Rulemaking Act.

(3) (a) The division may provide the home address or home telephone number of a licensee on a list prepared under Subsection (1) upon the request of an individual who provides proper identification and the reason for the request, in writing, to the division.

(b) A request under Subsection (3)(a) is limited to providing information on only one licensee per request.

(c) The division shall provide, by rule, what constitutes proper identification under Subsection (3)(a).

(4) (a) Notwithstanding any contrary provisions in Title 63G, Chapter 2, Government Records Access and Management Act, the division may share licensee information with:

(i) the division's contracted agents when sharing the information in compliance with state or federal law; and

(ii) a person who is evaluating the progress or monitoring the compliance of an individual who has been disciplined by the division under this title.

(b) The division may make rules to implement the provisions of this Subsection (4).

(5) All rules made by the division under this title shall be made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

Section 2. Section **58-1-112** is enacted to read:

58-1-112. Tax credit certificate for medical instructor tax credit.

(1) As used in this section:

(a) "Health care student" means a student who is enrolled at an institution of higher education within the state in a program that meets the educational requirements for licensure as:

(i) a physician and surgeon, as described in Subsection [58-67-302\(1\)\(e\)](#);

(ii) an osteopathic physician and surgeon, as described in Subsection [58-68-302\(1\)\(e\)](#);

(iii) an advanced practice registered nurse, as described in Subsection [58-31b-302\(4\)\(e\)](#);

(iv) a physician assistant, as described in Subsection [58-70a-302\(4\)\(a\)](#);

(v) a dentist, as described in Subsection [58-69-302\(1\)\(d\)](#); or

(vi) a pharmacist, as described in Subsection [58-17b-303\(1\)\(f\)](#).

(b) "Medical instructor" means an individual who:

(i) is licensed:

(A) as a physician under Chapter 67, Utah Medical Practice Act; Chapter 67b, Interstate Medical Licensure Compact; or Chapter 68, Utah Osteopathic Medical Practice Act;

(B) as an advanced practice registered nurse under Chapter 31b, Nurse Practice Act;

(C) as a physician assistant under Chapter 70a, Utah Physician Assistant Act;

(D) as a dentist under Chapter 69, Dentist and Dental Hygienist Practice Act; or

(E) as a pharmacist under Chapter 17b, Pharmacy Practice Act;

(ii) is actively practicing in this state in the area for which the individual is licensed;

(iii) provides personal instruction, training, or supervision in the practice area for which the individual is licensed to a health care student who is enrolled in a program described in:

(A) Subsection (1)(a)(i) or (ii) if the individual is licensed as a physician or osteopathic physician;

(B) Subsection (1)(a)(iii) if the individual is licensed as an advanced practice registered nurse;

(C) Subsection (1)(a)(iv) if the individual is licensed as a physician assistant;

(D) Subsection (1)(a)(v) if the individual is licensed as a dentist; or

(E) Subsection (1)(a)(vi) if the individual is licensed as a pharmacist; and

(iv) does not receive financial compensation from any source for providing personal instruction, training, or supervision to a health care student.

(c) "Qualifying application" means an application for a tax credit certificate that meets the requirements of Subsection (3).

(d) "Tax credit" means a tax credit described in Section [59-10-1041](#).

(2) An individual who seeks to claim a tax credit shall apply annually to the division for a tax credit certificate.

(3) The individual shall include in the application for a tax credit certificate the following information for the calendar year for which the individual seeks to claim a tax credit:

(a) an attestation that the individual was a medical instructor;

(b) the number of health care students to whom the individual provided personal instruction, training, or supervision; and

(c) any supporting information that the division requires by rule made in accordance

with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(4) (a) Subject to Subsection (5), the division shall issue a tax credit certificate:

(i) to an individual whom the division determines was a medical instructor during the calendar year for which the individual seeks to claim a tax credit; and

(ii) in an amount equal to the lesser of:

(A) \$100 per health care student described in Subsection (3)(b); and

(B) \$2,000.

(b) An individual who receives a tax credit certificate in accordance with this section shall retain the certificate for the same time period a person is required to keep books and records under Section 59-1-1406.

(5) (a) The maximum aggregate amount of tax credit certificates that the division may issue for a calendar year is \$500,000.

(b) If the division receives qualifying applications for tax credit certificates in amounts that exceed the aggregate amount of tax credit certificates that the division may issue for the calendar year, the division shall issue tax credit certificates:

(i) in the order that the division receives the qualifying applications until the total aggregate amount is met; and

(ii) for the final individual to receive a tax credit certificate, in an amount equal to the difference between the maximum aggregate amount described in this Subsection (5) and the aggregate dollar amount of the tax credit certificates that the division has already issued for the calendar year.

(6) The division shall submit to the State Tax Commission an electronic list that includes:

(a) the name and identifying information of each individual to whom the division issues a tax credit certificate; and

(b) for each individual, the amount of the tax credit stated on the tax credit certificate.

Section 3. Section 59-10-1041 is enacted to read:

59-10-1041. Nonrefundable tax credit for medical instructor.

(1) As used in this section, "medical instructor" means the same as that term is defined in Section 58-1-112.

(2) (a) A claimant who is a medical instructor and who receives a tax credit certificate

152 from the Division of Occupational and Professional Licensing as provided in Section [58-1-112](#)
153 may claim a nonrefundable tax credit in an amount equal to the amount stated on the tax credit
154 certificate described in Section [58-1-112](#).

155 (b) A claimant may carry forward the amount of a tax credit that exceeds the claimant's
156 tax liability to the next taxable year.

157 (c) A claimant may not carry back the amount of a tax credit that exceeds the
158 claimant's tax liability.

159 **Section 4. Effective date.**

160 This bill takes effect for a taxable year beginning on or after January 1, 2021.