

1 HOUSE BILL NO. 163

2 INTRODUCED BY K. WALSH, G. OBLANDER, J. ETCHART, G. NIKOLAKAKOS

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4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING A HEALTH CARE PRECEPTOR INCOME TAX
5 CREDIT; PROVIDING THAT THE CREDIT IS FOR A PRECEPTOR WHO DOES NOT RECEIVE
6 COMPENSATION FOR ASSISTING ELIGIBLE STUDENTS ENROLLED IN A HEALTH CARE TRAINING
7 PROGRAM IN THE STATE; PROVIDING THAT THE CREDIT IS NONREFUNDABLE; PROVIDING
8 RULEMAKING AUTHORITY; PROVIDING DEFINITIONS; AMENDING SECTION 15-30-2303, MCA; AND
9 PROVIDING AN APPLICABILITY DATE."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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13 NEW SECTION. **Section 1. Health care preceptor tax credit -- rulemaking.** (1) A taxpayer who
14 serves as a preceptor of a student enrolled in an eligible health care training program in this state is allowed a
15 credit against the tax imposed by this chapter for the tax year in which the credit is properly claimed.

16 (2) The amount of the credit is equal to \$1,000 for each eligible clinical rotation, up to a maximum
17 credit of \$5,000 for each tax year.

18 (3) A taxpayer is not eligible for the credit provided in this section if the taxpayer received
19 compensation in any form for serving as a preceptor during the tax year.

20 (4) The credit may not exceed the taxpayer's tax liability and may not be carried forward or carried
21 back.

22 (5) The department may, following consultation with eligible health care training programs, adopt
23 rules, develop forms, and maintain records that are necessary to verify clinical rotation hours and implement the
24 credit, including rules that identify eligible health care training programs.

25 (6) For the purposes of this section, the following definitions apply:

26 (a) "Clinical rotation" means a minimum of 100 hours of direct supervised clinical training of an
27 eligible student.

28 (b) "Eligible health care training program" means a graduate-level academic degree-granting

1 program or graduate medical education program that:

2 (i) has its principal accreditation or physical location in the state; and

3 (ii) provides clinical instruction to an advanced practice registered nursing student, medical
4 student, physician assistant student, psychology student, counseling student, applied behavioral health student,
5 pharmacy student, physical therapy student, occupational therapy student, speech therapy student, or social
6 work student, including a student listed in this subsection (6)(b)(ii) who is continuing to train as a resident or
7 fellow to obtain additional qualifications for licensure.

8 (c) "Preceptor" means an individual licensed in this state as an advanced practice registered
9 nurse, physician, osteopathic physician, physician assistant, psychologist, counselor, behavioral therapist,
10 pharmacist, physical therapist, occupational therapist, speech therapist, or mental health provider who
11 voluntarily provides direct supervision and instruction of a student enrolled in an eligible health care training
12 program.

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14 **Section 2.** Section 15-30-2303, MCA, is amended to read:

15 **"15-30-2303. Tax credits subject to review by interim committee.** (1) The following tax credits
16 must be reviewed during the biennium commencing July 1, 2021, and during each biennium commencing 8
17 years thereafter:

18 (a) the credit for donations to innovative educational programs provided for in 15-30-2334, 15-30-
19 3110, and 15-31-158;

20 (b) the credit for donations to a student scholarship organization provided for in 15-30-2335, 15-
21 30-3111, and 15-31-159; and

22 (c) the adoption tax credit provided for in 15-30-2321; and

23 (d) the health care preceptor tax credit provided for in [section 1].

24 (2) The following tax credits must be reviewed during the biennium commencing July 1, 2023, and
25 during each biennium commencing 8 years thereafter:

26 (a) the credit for infrastructure use fees provided for in 17-6-316;

27 (b) the credit for contributions to a qualified endowment provided for in 15-30-2327 through 15-30-
28 2329, 15-31-161, and 15-31-162;

(c) the credit for property to recycle or manufacture using recycled material provided for in Title 15, chapter 32, part 6; and

(d) the credit for preservation of historic buildings provided for in 15-30-2342 and 15-31-151.

(3) The following tax credits must be reviewed during the biennium commencing July 1, 2025, and during each biennium commencing 8 years thereafter:

(a) the residential property tax credit for the elderly provided for in 15-30-2337 through 15-30-2341;

(b) the credit for unlocking state lands provided for in 15-30-2380;

(c) the job growth incentive tax credit provided for in 15-30-2361 and 15-31-175; and

(d) the credit for trades education and training provided for in 15-30-2359 and 15-31-174.

(4) The following tax credits must be reviewed during the biennium commencing July 1, 2027, and during each biennium commencing 8 years thereafter:

(a) the credit for hiring a registered apprentice or veteran apprentice provided for in 15-30-2357 and 15-31-173;

(b) the earned income tax credit provided for in 15-30-2318;

(c) the media production and postproduction credits provided for in 15-31-1007 and 15-31-1009; and

(d) the credit for contractor's gross receipts provided for in 15-50-207.

(5) The revenue interim committee shall review the tax credits scheduled for review and make recommendations in accordance with 5-11-210 at the conclusion of the full review to the legislature about whether to eliminate or revise the credits. The committee shall also review any tax credit with an expiration date or termination date that is not listed in this section in the biennium before the credit is scheduled to expire or terminate.

(6) The revenue interim committee shall review the credits using the following criteria:

(a) whether the credit changes taxpayer decisions, including whether the credit rewards decisions that may have been made regardless of the existence of the tax credit;

(b) to what extent the credit benefits some taxpayers at the expense of other taxpayers;

(c) whether the credit has out-of-state beneficiaries;

(d) the timing of costs and benefits of the credit and how long the credit is effective;

(e) any adverse impacts of the credit or its elimination and whether the benefits of continuance or elimination outweigh adverse impacts; and

(f) the extent to which benefits of the credit affect the larger economy. (Subsection (3)(c) terminates December 31, 2028--sec. 4, Ch. 391, L. 2023; subsection (3)(d) terminates December 31, 2028--sec. 2, Ch. 576, L. 2023; subsection (1)(c) terminates December 31, 2031--sec. 6, Ch. 493, L. 2023.)"

8 NEW SECTION. Section 3. **Codification instruction.** [Section 1] is intended to be codified as an
9 integral part of Title 15, chapter 30, part 23, and the provisions of Title 15, chapter 30, part 23, apply to [section
10 1].

12 NEW SECTION. **Section 4. Applicability.** [This act] applies to income tax years beginning after
13 December 31, 2025.

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