

HB239 INTRODUCED



1 HB239
2 RJGFNMN-1
3 By Representatives Bolton, Starnes, Mooney
4 RFD: Ways and Means Education
5 First Read: 11-Feb-25



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SYNOPSIS:

Under existing law, rural physicians qualify for an income tax credit if they meet certain qualifications. Specifically, a physician must have admission privileges to a small or rural hospital and must practice and reside in a community that has a population less than 25,000 residents and has a hospital with an emergency room.

This bill would delete the requirement that a physician must reside in a community that has a hospital with an emergency room in order to qualify for the tax credit.

A BILL
TO BE ENTITLED
AN ACT

Relating to the rural physician tax credit; to amend Sections 40-18-131, Code of Alabama 1975, to revise the qualifications for eligibility; and to provide for retroactive effect.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 40-18-131, Code of Alabama 1975, is amended to read as follows:



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29 "§40-18-131

30 (a) ~~For the~~ Effective for tax years ending on or before
31 December 31, 2024, for purposes of this article, the following
32 words have the following meanings, respectively, unless the
33 context clearly indicates otherwise:

34 (1) RURAL PHYSICIAN. A physician licensed to practice
35 medicine in Alabama who practices and resides in a small or
36 rural community and has admission privileges to a small or
37 rural hospital.

38 (2) SMALL OR RURAL COMMUNITY. A community in Alabama
39 that has less than 25,000 residents according to the latest
40 decennial census and has a hospital with an emergency room.

41 (3) SMALL OR RURAL HOSPITAL. An acute care hospital
42 that meets one of the following requirements:

43 a. Contains less than 105 beds and is located more than
44 20 miles, under normal travel conditions, from another acute
45 care hospital located in Alabama.

46 b. Receives Medicare rural reimbursement from the
47 federal government.

48 (b) Effective for tax years beginning on or after
49 January 1, 2025, for purposes of this article, the following
50 words have the following meanings, respectively, unless the
51 context clearly indicates otherwise:

52 (1) RURAL PHYSICIAN. A physician licensed to practice
53 medicine in Alabama who practices in a small or rural
54 community, resides in a small or rural community, and has
55 admission privileges to a small or rural hospital.

56 (2) SMALL OR RURAL COMMUNITY. A community in Alabama



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57 that has less than 25,000 residents according to the latest
58 decennial census.

59 (3) SMALL OR RURAL HOSPITAL. An acute care hospital
60 that meets one of the following requirements:

61 a. Contains less than 105 beds and is located more than
62 20 miles, under normal travel conditions, from another acute
63 care hospital located in Alabama.

64 b. Receives Medicare rural reimbursement from the
65 federal government."

66 Section 2. This act shall become effective immediately.