
HOUSE BILL No. 1263

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-3.1-22.

Synopsis: Income tax credits for new health care workers. Allows certain new health care workers a state tax credit against the health care worker's adjusted gross income tax liability. Requires that to be eligible, the health care worker must provide health care services and have completed a nurse aide training program or earned a degree from a higher education institution within the previous five years. Limits the total amount of tax credits allowed in a state fiscal year to \$1,000,000. Requires that money be transferred from the tobacco settlement fund to the state general fund in an amount equal to the total tax credits allowed for the previous fiscal year.

Effective: January 1, 2001.

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January 11, 2000, read first time and referred to Committee on Ways and Means.

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Second Regular Session 111th General Assembly (2000)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1999 General Assembly.

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HOUSE BILL No. 1263



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-3.1-22 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2001]:

4 **Chapter 22. New Health Care Worker Tax Credit**

5 **Sec. 1. As used in this chapter, "eligible taxpayer" means a**
6 **health care worker who:**

7 (1) **provides health services for compensation; and**

8 (2) **has:**

9 (A) **earned a degree to practice as a health care worker**
10 **from an accredited higher education institution; or**

11 (B) **successfully completed a nurse aide training program**
12 **required under 42 CFR 483.75(e) that has been approved**
13 **by the division (as defined in IC 16-18-2-97(2)). However,**
14 **a nurse aide training program does not include a**
15 **retraining program described under 42 CFR 483.75(e)(7).**

16 **Sec. 2. As used in this chapter, "health care worker" means any**
17 **of the following individuals:**



- 1 (1) A nurse aide (as defined in section 4 of this chapter).
- 2 (2) A nurse licensed under IC 25-23.
- 3 (3) An occupational therapist (as defined in IC 25-23.5-1-4).
- 4 (4) A physical therapist (as defined in IC 25-27-1-1).
- 5 (5) A physician assistant (as defined in IC 25-27.5-2-10).
- 6 (6) A respiratory care practitioner (as defined in
- 7 IC 25-34.5-1-7).

8 **Sec. 3.** As used in this chapter, "health services" means patient
 9 care services that are provided by a health care worker for any of
 10 the following programs or facilities:

- 11 (1) A community mental health center (as defined in
- 12 IC 12-7-2-38).
- 13 (2) A community mental retardation center (as defined in
- 14 IC 12-7-2-39).
- 15 (3) A state institution (as defined in IC 12-7-2-184).
- 16 (4) A community based residential program for the
- 17 developmentally disabled (as described in IC 12-11-1.1-1).
- 18 (5) A community based residential program for the mentally
- 19 ill (as defined in IC 12-22-2-3).
- 20 (6) A hospital (as defined in IC 16-21-2).
- 21 (7) A hospice program (as defined in IC 16-25).
- 22 (8) A home health agency (as defined in IC 16-27-1-2).
- 23 (9) A health facility (as defined in IC 16-18-2-167).
- 24 (10) A community health center (as defined in IC 34-18-2-9).
- 25 (11) A migrant health center (as defined in IC 34-18-2-20).

26 **Sec. 4.** As used in this chapter, "nurse aide" means an individual
 27 who:

- 28 (1) provides nursing or nursing related services to patients for
- 29 compensation; and
- 30 (2) is not licensed by a board listed under IC 25-1-9-1.

31 **Sec. 5.** (a) An eligible taxpayer is allowed a new health care
 32 worker tax credit against the taxpayer's state adjusted gross
 33 income tax liability for a taxable year equal to one hundred dollars
 34 (\$100). However, if the eligible taxpayer provides health services
 35 in a community health center (as defined in IC 34-18-2-9), a
 36 migrant health center (as defined in IC 34-18-2-20), a state
 37 institution (as defined in IC 12-7-2-184), or in a shortage area (as
 38 defined in IC 16-46-5-6), the taxpayer is allowed a tax credit for a
 39 taxable year equal to two hundred dollars (\$200).

40 (b) An eligible taxpayer may claim a tax credit under this
 41 chapter for the first five (5) taxable years beginning after the date
 42 the eligible taxpayer earns the degree described in section 1(2) of

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1 this chapter.

2 **Sec. 6. (a) If the amount allowed as a tax credit under section**
3 **5(a) of this chapter for a taxpayer in a taxable year exceeds the**
4 **taxpayer's state tax liability (IC 6-3-1 through IC 6-3-7) for that**
5 **taxable year, the taxpayer may not carry the excess over to the**
6 **following taxable years.**

7 **(b) A taxpayer is not entitled to a carryback or refund of an**
8 **unused credit.**

9 **Sec. 7. The department shall adopt rules for determining**
10 **eligibility and compliance of health care workers who apply for tax**
11 **credits under this chapter.**

12 **Sec. 8. To obtain a new health care worker tax credit provided**
13 **by this chapter, a taxpayer must claim the credit in the manner**
14 **prescribed by the department.**

15 **Sec. 9. (a) The total aggregate amount of tax credits allowed**
16 **under this chapter may not exceed one million dollars (\$1,000,000)**
17 **in a state fiscal year.**

18 **(b) If the total tax credits applied for and allowable under this**
19 **chapter in a state fiscal year are greater than the maximum**
20 **amount allowed under subsection (a), the department shall apply**
21 **a prorated reduction to all the tax credits allowed.**

22 **(c) Not later than September 1 of each year, the auditor of state**
23 **shall transfer from the fund created under IC 4-12-1-14.3 to the**
24 **state general fund an amount equal to the total tax credits applied**
25 **for and allowed under this chapter during the preceding fiscal**
26 **year.**

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