

2023 -- H 5629

LC000907

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO TAXATION -- PERSONAL INCOME TAX

Introduced By: Representatives Sanchez, Morales, Ajello, Knight, Newberry, Potter,
Nardone, Costantino, and Messier

Date Introduced: February 15, 2023

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 44-30 of the General Laws entitled "Personal Income Tax" is hereby
2 amended by adding thereto the following section:

3 **44-30-8. Credit for medical services to Medicaid patients.**

4 (a) A taxpayer shall be allowed a credit against the tax imposed by chapters 11, 17 or 30
5 of this title, if the taxpayer is a licensed medical professional or medical facility and has directly
6 provided health care services in exchange for payment by the Rhode Island Medicaid program.

7 (b) The amount of the credit provided by subsection (a) of this section shall be the lesser
8 of forty percent (40%) of the Medicaid payment earnings or thirty thousand dollars (\$30,000).

9 (c) If the allowable amount of the credit exceeds the taxes due, the amount of the credit not
10 used shall be treated as overpayment of taxes and refunded to the claimant from balances retained
11 by the general treasurer for general purposes. No interest is allowed on any payment made pursuant
12 to this section.

13 (d) In the event the taxpayer is a partnership, joint venture or business entity, the credit is
14 divided in the same manner as income.

15 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would allow a state income tax credit of the lesser of thirty thousand dollars
2 (\$30,000) or forty percent (40%) of Medicaid earnings where a medical provider accepts Medicaid
3 payments.

4 This act would take effect upon passage.

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