

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1504

By: Thompson (Kristen)

AS INTRODUCED

An Act relating to medical preceptorship training; defining terms; providing income tax credit for certain individuals who conduct a preceptorship rotation; providing amount of and basis for credit; providing limitations on credits allowed; prohibiting refundability of credit; authorizing the carry forward of credit; directing the State Board of Medical Licensure and Supervision and State Board of Osteopathic Examiners to award credit; limiting the amount of credit awarded to balance of certain revolving funds; authorizing allocation of partial credit; authorizing credits not allowed to be claimed in subsequent year; specifying eligibility for credit; directing the State Board of Medical Licensure and Supervision and State Board of Osteopathic Examiners to deposit certain fees in revolving fund for certain purpose; requiring submission of information; authorizing promulgation of rules; creating the Physician Preceptor Tax Credit Revolving Fund, the Physician Assistant Preceptor Tax Credit Revolving Fund, and the Osteopathic Physician Preceptor Tax Credit Revolving Fund; specifying sources of funds; requiring accrued funds to be deposited in the General Revenue Fund; stating purpose; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 2357.409 of Title 68, unless there is created a duplication in numbering, reads as follows:

A. As used in this section:

1. "Faculty preceptor" means an allopathic physician, osteopathic physician, or physician assistant licensed in this state;

2. "Medical school" means a legally chartered medical school recognized by the Oklahoma State Regents for Higher Education;

3. "Medical student" means a student currently enrolled in a medical school in this state or a school or college of osteopathic medicine in this state;

4. "Physician assistant student" means an individual participating in a state-supported training program in this state that is approved by the State Board of Medical Licensure and Supervision for the training of individuals to become physician assistants as defined in Section 519.2 of Title 59 of the Oklahoma Statutes;

5. "Preceptorship rotation" means a period of preceptorship training of one or more medical students, residents, or physician assistant students that in aggregate totals one hundred sixty (160) hours;

1 6. "Preceptorship training" means uncompensated training of a
2 medical student, resident, or physician assistant student enrolled
3 in a training program in this state;

4 7. "Resident" means an allopathic physician or osteopathic
5 physician pursuing post-graduate medical education at a program
6 supported by a medical school or a school or college of osteopathic
7 medicine in this state; and

8 8. "School or college of osteopathic medicine" shall have the
9 same meaning as provided by Section 631 of Title 59 of the Oklahoma
10 Statutes.

11 B. 1. For tax years 2025 through 2034, there shall be allowed
12 a credit against the tax imposed pursuant to Section 2355 of Title
13 68 of the Oklahoma Statutes for a faculty preceptor who conducts a
14 preceptorship rotation.

15 2. Except as provided for by subsection F of this section,
16 credit shall be allowed for no greater than ten (10) preceptorship
17 rotations completed in a calendar year, and shall be equal to the
18 following amounts:

- 19 a. for a medical student or resident, Five Hundred
20 Dollars (\$500.00) each for the first, second, or third
21 preceptorship rotations and One Thousand Dollars
22 (\$1,000.00) each for up to seven (7) subsequent
23 rotations, and

1 b. for a physician assistant student, Three Hundred
2 Seventy-five Dollars (\$375.00) each for the first,
3 second, or third preceptorship rotations and Seven
4 Hundred Fifty Dollars (\$750.00) each for up to seven
5 (7) subsequent rotations.

6 C. The credit authorized by this section shall not be used to
7 reduce the tax liability of the taxpayer to less than zero (0).

8 D. To the extent not used, the credits authorized by this
9 section may be carried over, in order, to each of the five (5)
10 subsequent tax years.

11 E. 1. The State Board of Medical Licensure and Supervision
12 shall award the credit authorized by subsection B of this section to
13 faculty preceptors for preceptorship rotations of:

14 a. medical students enrolled in a medical school in this
15 state,

16 b. residents who are allopathic physicians pursuing post-
17 graduate medical education at a program supported by a
18 medical school in this state, and

19 c. physician assistant students.

20 2. The State Board of Osteopathic Examiners shall award the
21 credit authorized by subsection B of this section to faculty
22 preceptors for preceptorship rotations of:

23 a. medical students enrolled in a school or college of
24 osteopathic medicine in this state, and
25

1 b. residents who are osteopathic physicians pursuing
2 post-graduate medical education at a program supported
3 by a school or college of osteopathic medicine in this
4 state.

5 F. 1. The credit awarded by the State Board of Medical
6 Licensure and Supervision under subparagraphs a and b of paragraph 1
7 of subsection E of this section for the tax year shall not exceed
8 the amount deposited in the preceding fiscal year to the Physician
9 Preceptor Tax Credit Revolving Fund created in Section 2 of this
10 act.

11 2. The credit awarded by the State Board of Medical Licensure
12 and Supervision under subparagraph c of paragraph 1 of subsection E
13 of this section for the tax year shall not exceed the amount
14 deposited in the preceding fiscal year to the Physician Assistant
15 Preceptor Tax Credit Revolving Fund created in Section 3 of this
16 act.

17 3. The credit awarded by the State Board of Osteopathic
18 Examiners under paragraph 2 of subsection E of this section for the
19 tax year shall not exceed the amount deposited in the preceding
20 fiscal year to the Osteopathic Physician Preceptor Tax Credit
21 Revolving Fund created in Section 4 of this act.

22 G. Partial claims for credit may be awarded. Credits earned
23 but not allowed due to the application of the limitation provided in
24 this section shall be considered suspended and authorized to be used

1 in the subsequent tax year and applied to the next tax year's
2 limitation.

3 H. In order to receive the credit provided pursuant to this
4 section, a faculty preceptor shall:

5 1. Claim the credit for the tax year in which the preceptorship
6 rotation was completed;

7 2. Certify that he or she did not receive payment during the
8 tax year from any source for providing the training; and

9 3. Supply supporting documentation as may be required by the
10 State Board of Medical Licensure and Supervision or the State Board
11 of Osteopathic Examiners.

12 I. 1. The State Board of Medical Licensure and Supervision
13 shall reserve Five Dollars (\$5.00) of every annual licensure fee
14 received from allopathic physicians and shall deposit the sum to the
15 Physician Preceptor Tax Credit Revolving Fund created in Section 2
16 of this act for the purpose of providing funding for the credit
17 authorized by this section.

18 2. The State Board of Medical Licensure and Supervision shall
19 reserve Two Dollars (\$2.00) of every annual licensure fee received
20 from physician assistants and shall deposit the sum to the Physician
21 Assistant Preceptor Tax Credit Revolving Fund created in Section 3
22 of this act for the purpose of providing funding for the credit
23 authorized by this section.

1 3. The State Board of Osteopathic Examiners shall reserve Five
2 Dollars (\$5.00) of every annual licensure fee received from
3 osteopathic physicians and shall deposit the sum to the Osteopathic
4 Physician Preceptor Tax Credit Revolving Fund created in Section 4
5 of this act for the purpose of providing funding for the credit
6 authorized by this section.

7 J. Each tax year, the State Board of Medical Licensure and
8 Supervision and the State Board of Osteopathic Examiners shall
9 electronically submit information to the Oklahoma Tax Commission,
10 which shall include:

- 11 1. The number and amount of tax credits awarded;
- 12 2. The name of the taxpayers that were awarded credit; and
- 13 3. The amount deposited in the Physician Preceptor Tax Credit
14 Revolving Fund, created in Section 2 of this act, the Physician
15 Assistant Preceptor Tax Credit Revolving Fund, created in Section 3
16 of this act, and the Osteopathic Physician Preceptor Tax Credit
17 Revolving Fund, created in Section 4 of this act.

18 K. The Oklahoma Tax Commission, the State Board of Medical
19 Licensure and Supervision, and the State Board of Osteopathic
20 Examiners may promulgate rules to effectuate the provisions of this
21 act.

22 SECTION 2. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 495i of Title 59, unless there
24 is created a duplication in numbering, reads as follows:

1 There is hereby created in the State Treasury a revolving fund
2 for the State Board of Medical Licensure and Supervision to be
3 designated the "Physician Preceptor Tax Credit Revolving Fund". The
4 fund shall be a continuing fund, not subject to fiscal year
5 limitations, and shall consist of the monies received by the Board
6 from a portion of licensure fees received from allopathic physicians
7 under subsection I of Section 1 of this act. All monies accruing to
8 the credit of the fund are hereby appropriated and the entire
9 balance of the fund shall be deposited to the General Revenue Fund
10 at the end of each fiscal year. The deposits to the General Revenue
11 Fund shall be for the purpose of mitigating the impact of awarding
12 the tax credit authorized under Section 1 of this act to allopathic
13 physicians.

14 SECTION 3. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 519.8a of Title 59, unless there
16 is created a duplication in numbering, reads as follows:

17 There is hereby created in the State Treasury a revolving fund
18 for the State Board of Medical Licensure and Supervision to be
19 designated the "Physician Assistant Preceptor Tax Credit Revolving
20 Fund". The fund shall be a continuing fund, not subject to fiscal
21 year limitations, and shall consist of the monies received by the
22 Board from a portion of licensure fees received from physician
23 assistants under subsection I of Section 1 of this act. All monies
24 accruing to the credit of the fund are hereby appropriated and the

1 entire balance of the fund shall be deposited to the General Revenue
2 Fund at the end of each fiscal year. The deposits to the General
3 Revenue Fund shall be for the purpose of mitigating the impact of
4 awarding the tax credit authorized under Section 1 of this act to
5 physician assistants.

6 SECTION 4. NEW LAW A new section of law to be codified
7 in the Oklahoma Statutes as Section 645.1 of Title 59, unless there
8 is created a duplication in numbering, reads as follows:

9 There is hereby created in the State Treasury a revolving fund
10 for the State Board of Osteopathic Examiners to be designated the
11 "Osteopathic Physician Preceptor Tax Credit Revolving Fund". The
12 fund shall be a continuing fund, not subject to fiscal year
13 limitations, and shall consist of the monies received by the Board
14 from a portion of licensure fees received from osteopathic
15 physicians under subsection I of Section 1 of this act. All monies
16 accruing to the credit of the fund are hereby appropriated and the
17 entire balance of the fund shall be deposited to the General Revenue
18 Fund at the end of each fiscal year. The deposits to the General
19 Revenue Fund shall be for the purpose of mitigating the impact of
20 awarding the tax credit authorized under Section 1 of this act to
21 osteopathic physicians.

22 SECTION 5. This act shall become effective November 1, 2024.
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