

GROSS RECEIPTS TAX CREDIT FOR CERTAIN UNPAID DOCTOR SERVICES

WHO MUST FILE THIS FORM: A licensed medical doctor, licensed osteopathic physician or licensed medical practice may claim a credit against gross receipts taxes due for the value of unpaid bills for medical care services performed while on call to a hospital. To qualify, a licensed medical doctor or a licensed osteopathic physician must provide the medical services while on call to a hospital; the value of the medical care services must be unpaid one year after the date of billing, and the licensed medical doctor or licensed osteopathic physician must have reason to believe the services will not be paid. **Carry-forward of the credit is not allowed.** A licensed medical practice that employs a licensed medical doctor or licensed osteopathic physician may claim the credit, but only against the gross receipts tax liability resulting from medical care services that are: 1) performed while on call to a hospital, and 2) performed by the licensed medical doctor or licensed osteopathic physician whose previous unpaid services generated the credit being claimed. **Important:** See the instructions for this form for further details regarding which unpaid medical services qualify and for details on what qualifies as "reason to believe the services will not be paid."

Important: To qualify for the credit the medical services do not need to be performed at a hospital, but must be related to being on call to the hospital.

Name of doctor or business		New Mexico CRS Identification No.	
Enter the report period as shown on the attached CRS-1 Long Form _____ through _____ MM/DD/YY MM/DD/YY		Name and phone number of contact	

To claim the credit, attach a completed Form RPD-41323 *Gross Receipts Tax Credit for Certain Unpaid Doctor Services*, to the CRS-1 return on or before the due date of the return. You may apply this credit when you file your return online. Sign into Taxpayer Access Point (TAP) at <https://tap.state.nm.us>, and follow the prompts to attach this form. To mail in, attach this form to the return and mail to the address on the return. For assistance, call (505) 827-0792.

1. Enter the value of the unpaid qualified health care services included in this claim:	1.	
2. Enter the percentage rate of the credit applicable to this report period. See rate chart and Exception for Delayed Billing in the instructions for this form.	2.	%
3. Multiply line 1 by line 2 and enter the product here. This is the amount of the credit claimed in this report period. This amount cannot exceed the amount of your current period CRS-1 Form. Carry-forward of the credit is not allowed.	3.	

To claim this credit you must be able to certify all of the following. I certify that:

- The qualified health care services included in this claim were performed by a licensed medical doctor or a licensed osteopathic physician while on call to a hospital;
- The credit claimed will be applied against the taxpayers subsequent gross receipts tax liability resulting from medical care services performed by a licensed medical doctor or licensed osteopathic physician;
- The value of the qualified health care services does not exceed 130% of the reimbursement rate for the services under the Medicaid program administered by the New Mexico Human Services Department;
- The qualified health care services included in this claim remain unpaid one year after the date of billing; and
- The licensed medical doctor, licensed osteopathic physician or licensed medical practice has reason to believe the bill for the services will not be paid because:
 - at the time the services were provided, the person receiving the services had no health insurance or had health insurance that did not cover the services provided;
 - at the time the services were provided, the person receiving the services was not eligible for Medicaid; **and**
 - the charges are not reimbursable under a program established according to the Indigent Hospital and County Health Care Act.

I certify that I have examined this return including accompanying returns and statements, and to the best of my knowledge and belief, they are true, correct and complete.		
_____ Signature of taxpayer or agent	_____ Title	_____ Date

State of New Mexico - Taxation and Revenue Department
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INSTRUCTIONS

The following constitutes “**reason to believe the services will not be paid**”:

1. at the time the services were provided, the person receiving the services had no health insurance or had health insurance that did not cover the services provided;
2. at the time the services were provided, the person receiving the services was not eligible for Medicaid; **and**
3. the charges are not reimbursable under a program established according to the Indigent Hospital and County Health Care Act.

The value of the health care services provided for which you are claiming the credit cannot exceed 130% of the reimbursement rate for the health care services provided under the Medicaid program administered by the New Mexico Human Services Department.

WHEN TO CLAIM THIS CREDIT: For qualified health care services billed on or after July 1, 2006, the credit must be claimed in the report period that includes the one-year anniversary of the date the person receiving the services was billed. For qualified health care services billed prior to July 1, 2006, the credit must be claimed in the report period beginning July 1, 2007.

Exception for Delayed Billing: If the actual billing date is more than 30 days from the date the services were performed, the credit must be claimed at the rate for the report period that includes the one-year anniversary of the 30th day following the date the services were performed. Use the rate for the applicable report period even though you cannot claim the credit until the report period that includes the one-year anniversary of the actual date of billing. If multiple rates for the same report period are needed, complete lines 1 and 3 of Form RPD-41323, and attach a schedule of the value of unpaid qualified health care services and the applicable rate used to compute the credit.

Tax credit for certain unpaid doctor services is subject to gross receipts tax. The amount of tax credit for certain unpaid doctor services is subject to gross receipts tax and must be included in gross receipts (Column D on the CRS-1 Long Form) in the report period during which the benefit of the tax credit is realized. For claimants reporting gross receipts on a cash basis, the credit is included in the report period in which

the benefit of the credit is received. For claimants reporting gross receipts on an accrual basis, the credit is included in the report period in which the benefit of the credit is earned. For example, during the report period beginning July 1, 2007, and ending July 31, 2007, Doctor X qualifies for and claims the gross receipts tax credit for certain unpaid doctor services billed on July 5, 2006. Doctor X reports gross receipts on a cash basis and receives benefit from the tax credit against the gross receipts tax due for the July 2007 report period, in August 2007 when the tax due is offset by the claim for the tax credit. The amount of the tax credit taken against the July 2007 liability is reported in Column D of the CRS-1 Long Form for the report period for August 2007. If Doctor X reports gross receipts on an accrual basis, the receipts for the tax credit would be included in the July 2007 report period.

HOW TO CLAIM THIS CREDIT:

A licensed medical practice that employs a licensed medical doctor or licensed osteopathic physician may claim the credit, but only against the taxpayer’s subsequent gross receipts tax liability resulting from medical care services that are:

1. performed while on call to a hospital, and
2. performed by the licensed medical doctor or licensed osteopathic physician whose previous unpaid services generated the credit being claimed.

To claim a credit for unpaid doctor services, you may file your CRS-1 return online using the Department’s web site at <https://tap.state.nm.us>. Underpay the tax liability owed for gross receipts by the amount of the credit claimed by making a partial payment. If you claimed a credit in a prior report period and did not apply the full amount of the credit because the tax liability was less than the credit available, you may not carry the credit forward to future report periods. Mail in a copy of your confirmation page along with Form RPD-41323, *Gross Receipts Tax Credit For Certain Unpaid Doctors Services*, to: Taxation and Revenue Department, Attention CRS Unit, P.O. Box 630, Santa Fe, New Mexico 87504-0630.

The amount of the credit for certain unpaid doctor services is:

For a report period beginning on or after (See exception)	But not after	Percentage of the value of unpaid qualified health care services
July 1, 2007	June 30, 2008	33%
July 1, 2008	June 30, 2009	67%
July 1, 2009	--	100%