

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
94th General Assembly
Regular Session, 2023

As Engrossed: H3/13/23
A Bill

HOUSE BILL 1422

By: Representative L. Johnson

For An Act To Be Entitled

AN ACT TO AMEND STATE INCOME TAX LAWS; TO ENACT THE
PRECEPTOR TAX INCENTIVE PROGRAM; TO PROVIDE
INCENTIVES FOR CERTAIN MEDICAL OR COUNSELING
PROFESSIONALS TO TRAIN CERTAIN STUDENTS WHO ARE
LEARNING TO BECOME MEDICAL OR COUNSELING
PROFESSIONALS; AND FOR OTHER PURPOSES.

Subtitle

TO ENACT THE PRECEPTOR TAX INCENTIVE
PROGRAM; AND TO PROVIDE INCENTIVES FOR
CERTAIN MEDICAL OR COUNSELING
PROFESSIONALS TO TRAIN STUDENTS WHO ARE
LEARNING TO BECOME MEDICAL OR COUNSELING
PROFESSIONALS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 26, Chapter 51, is amended to add an
additional subchapter to read as follows:

Subchapter 29 – Preceptor Tax Incentive Program

26-51-2901. Definitions.

As used in this subchapter:

(1) "Counseling student" means an individual who is
participating in a training program in this state that is accredited by a
nationally recognized accrediting body for training a student to become a



licensed professional counselor, licensed associate counselor, or licensed marriage and family therapist under § 17-27-101 et seq.;

(2) "Faculty preceptor" means an individual who is licensed as a:

(A) Physician licensed under the Arkansas Medical Practices Act, 17-95-401 et seq.;

(B) Registered nurse, advanced practice registered nurse, or registered nurse practitioner under § 17-87-301 et seq.;

(C) Physician assistant licensed under § 17-105-101 et seq.; or

(D) A licensed professional counselor, licensed associate counselor, or licensed marriage and family therapist by the Arkansas Board of Examiners in Counseling under § 17-27-101 et seq.;

(3) "Medical student" means an individual participating in a training program in this state that is approved by the Arkansas State Medical Board for the training of physicians;

(4) "Nursing student" means an individual participating in a training program in this state that is accredited by a nationally recognized accrediting body for training a student to become a registered nurse, advanced practice registered nurse, or registered nurse practitioner under § 17-87-101 et seq.;

(5) "Physician" means an individual licensed to practice medicine under the Arkansas Medical Practices Act, § 17-95-201 et seq.;

(6) "Physician assistant student" means an individual participating in a training program in this state that is approved by the Arkansas State Medical Board for the training of individuals to become physician assistants as defined in § 17-105-101 et seq.;

(7) "Preceptorship rotation" means a period of preceptorship training of one or more medical students, physician assistant students, counseling students, or nursing students that in aggregate totals at least one hundred sixty (160) hours; and

(8) "Preceptorship training" means community based training of a medical student, counseling student, nursing student, or physician assistant student who has matriculated at a training program in Arkansas.

26-51-2902. Uncompensated faculty preceptor.

(a) As used in this section, "uncompensated faculty preceptor" means the faculty preceptor who:

(1) Provides a preceptorship rotation; and

(2) Does not receive any kind of financial remuneration from any party for conducting the preceptorship rotation.

(b)(1) An uncompensated faculty preceptor is allowed an income tax credit against the income tax imposed by this chapter in the amount determined under subsection (c) of this section for wages he or she receives as a physician, licensed professional counselor, licensed associate counselor, licensed marriage and family therapist, professional nurse, advanced practice registered nurse, registered nurse practitioner, or physician assistant.

(2) If the amount of the income tax credit allowed under this section exceeds the taxpayer's income-tax liability, the excess shall not be refunded to the taxpayer.

(c)(1) The amount of the tax credit allowed under subsection (b) of this section is one thousand dollars (\$1,000) per student who participated in the preceptor training during the calendar year.

(2) The taxpayer shall not claim more than ten thousand dollars (\$10,000) per year in income tax credits under this section.

26-51-2903. Compensated faculty preceptor.

(a) As used in this section, "compensated faculty preceptor" means a faculty preceptor who:

(1) Provides a preceptorship rotation; and

(2) Receives payment as an independent contractor as compensation for conducting the preceptorship rotation paid for by the school at which the medical student, nursing student, counseling student, or physician assistant student has matriculated.

(b)(1) A compensated faculty preceptor is allowed an income tax credit against the income tax imposed by this chapter in the amount determined under subsection (c) of this section for payments he or she receives as an independent contractor for conducting the preceptor training.

(2) If the amount of the income tax credit allowed under this section exceeds the taxpayer's income-tax liability, the excess shall not be refunded to the taxpayer.

(c) Amount of the tax credit allowed under subsection (b) of this section is equal to the amount the taxpayer received as compensation for conducting the preceptor training, not to exceed six thousand dollars (\$6,000) per taxpayer.

SECTION 2. Section 1 of this act is effective for tax years beginning on or after January 1, 2023.

/s/L. Johnson