
A BILL FOR AN ACT

RELATING TO PHYSICIANS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that fewer physicians
2 have been providing on-call services in hospital emergency
3 departments in recent years due to liability issues and
4 inadequate reimbursements. As a result, emergency departments
5 are experiencing increased overcrowding and longer waiting
6 times. Nationally, for example, seventy-three per cent of
7 emergency departments report inadequate on-call coverage by
8 specialist physicians. Specialists who are particularly
9 difficult to secure for on-call coverage include orthopedic
10 surgeons, neurosurgeons, plastic surgeons, trauma surgeons, hand
11 surgeons, obstetrician-gynecologists, neurologists,
12 ophthalmologists, and dermatologists.

13 The purpose of this Act is to establish a tax credit to
14 create a financial incentive for physicians who provide on-call
15 services to emergency departments.

16 SECTION 2. Chapter 235, Hawaii Revised Statutes, is
17 amended by adding a new section to part III to be appropriately
18 designated and to read as follows:



1 "§235- Emergency room physician tax credit. (a) There
2 shall be allowed to each qualified taxpayer subject to the taxes
3 imposed by this chapter, an emergency room physician tax credit
4 that shall be applied to the qualified taxpayer's net income tax
5 liability, if any, imposed by this chapter for the taxable year
6 in which the credit is properly claimed.

7 (b) As used in this section, "qualified taxpayer" means a
8 physician licensed under chapter 453 who:

- 9 (1) Provides medical care in a state-approved hospital
10 emergency room on an on-call basis;
11 (2) Has worked a minimum of five hundred and seventy-six on-
12 call hours in the taxable year for which the tax
13 credit is claimed; and
14 (3) Does not owe the State delinquent taxes, penalties, or
15 interest.

16 (c) The tax credit shall be in an amount equal to five per
17 cent of the total amount of medical malpractice insurance premiums
18 paid by the qualified taxpayer for the taxable year in which the
19 credit is claimed.

20 (d) If the tax credit claimed by the qualified taxpayer
21 under this section exceeds the qualified taxpayer's income tax
22 liability, the excess of credit over liability shall be refunded



1 to the qualified taxpayer; provided that the tax credit properly
2 claimed by a qualified taxpayer who has no income tax liability
3 shall be paid to the qualified taxpayer; and provided further
4 that no refunds or payments on account of the tax credit allowed
5 by this section shall be made for amounts less than \$1.

6 (e) The director of taxation shall prepare forms that may
7 be necessary to claim a credit under this section. The director
8 may also require the taxpayer to furnish information to
9 ascertain the validity of the claim for credit made under this
10 section and may adopt rules necessary to effectuate the purposes
11 of this section pursuant to chapter 91.

12 (f) All claims for tax credits under this section,
13 including any amended claims, shall be filed on or before the
14 end of the twelfth month following the close of the taxable year
15 for which the credits may be claimed. Failure to comply with
16 the foregoing provision shall constitute a waiver of the right
17 to claim the credit."

18 SECTION 3. New statutory material is underscored.



1 SECTION 4. This Act shall apply to taxable years beginning
2 after December 31, 2011.

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Report Title:

Tax Credit; Emergency On-Call Physicians

Description:

Establishes a tax credit for physicians who provide on-call services to hospital emergency rooms.

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