
A BILL FOR AN ACT

RELATING TO TAXATION.

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

1 SECTION 1. Chapter 235, Hawaii Revised Statutes, is
2 amended by adding a new section to part III to be appropriately
3 designated and to read as follows:
4 "§235- Income tax credit for accepting medicaid or
5 medicare patients. (a) There shall be allowed to each taxpayer
6 who is a qualified physician subject to the tax imposed by this
7 chapter, a credit for accepting medicaid or medicare patients
8 that shall be deductible from the taxpayer's net income tax
9 liability, if any, imposed by this chapter for the taxable year
10 in which the credit is properly claimed.
11 (b) The amount of the credit shall be \$ per
12 medicaid or medicare patient accepted in a taxable year. A tax
13 credit that exceeds the taxpayer's income tax liability may be
14 used as a credit against the taxpayer's income tax liability in
15 subsequent years until exhausted; provided that in no taxable
16 year shall the total amount of the tax credit claimed under this
17 section exceed \$ per taxpayer.



1 (c) Certification of a qualified physician's acceptance of
2 a medicaid or medicare patient for the purpose of claiming a
3 credit under this section shall be submitted to the department
4 of taxation on forms prescribed by the department of taxation.

5 (d) Claims for the tax credit under this section,
6 including any amended claims, shall be filed on or before the
7 end of the twelfth month following the taxable year for which
8 the credit may be claimed. Failure to comply with the foregoing
9 provision shall constitute a waiver of the right to claim the
10 tax credit.

11 (e) The director of taxation:

12 (1) Shall prepare any forms necessary to claim a credit
13 under this section;

14 (2) May require a taxpayer to furnish reasonable
15 information to ascertain the validity of a claim for
16 credit; and

17 (3) May adopt rules pursuant to chapter 91 to effectuate
18 the purposes of this section.

19 (f) For purposes of this section:

20 "Medicaid or medicare patient" means an individual
21 receiving medicaid or medicare benefits for medical care.



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H.B. NO. 2235

Report Title:

Department of Taxation; Tax Credit; Medicaid; Medicare;
Physicians

Description:

Establishes a tax credit for qualified physicians who accept patients who receive Medicaid or Medicare benefits.

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