



**SENATOR GREG BACA**  
*Senate Republican Leader*

**SENATOR CRAIG BRANDT**  
*Senate Republican Whip*

**SENATOR MARK MOORES**  
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## **Senate Republicans Propose GRT Deduction for Healthcare Providers** *Legislation will help retain healthcare professionals in New Mexico*

SANTA FE – Senate Bill 448, sponsored by **Senator Mark Moores** (R-Albuquerque), today received overwhelming support in the Senate Tax, Business and Transportation Committee. The bill would create a gross receipts tax (GRT) deduction for healthcare providers to deduct the GRT owed on patient copays and deductibles. The proposal is one of several bills sponsored by Senate Republicans to help retain healthcare professionals in New Mexico.

“Unlike other businesses, our healthcare providers are barred from passing on the gross receipts tax to their patient customers,” said Senator Moores. “This means they assume that tax liability and take an automatic 7 to 8 percent hit to their revenue just to operate.”

New Mexico is currently one of just four states that tax medical services, placing the state at a competitive disadvantage for medical practices. The proposed deduction would be phased-in over three years: 33 1/3 percent prior to July 1, 2024; 66 and 2/3 percent beginning July 1, 2024 and prior to July 1, 2025; and 100 percent beginning July 1, 2025.

“In addition to low Medicaid reimbursement rates and the growing cost of malpractice insurance, the gross receipts tax on medical services is one of the greatest barriers to opening and expanding healthcare services in New Mexico,” added Senator Moores. “Our state is bleeding doctors and other medical professionals, and this deduction is a strong incentive to keep them here.”

Senate Bill 448 will be held in the Senate Tax, Business and Transportation Committee until the state budget framework is completed.

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