

**SENATE BILL**

**No. 20**

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**Introduced by Senator Runner  
(Coauthor: Senator Harman)**

October 11, 2007

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An act to add Section 17053.102 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 20, as introduced, Runner. Personal income taxes: credit: primary care.

The Personal Income Tax Law authorizes various credits against the taxes imposed by that law.

This bill would allow to a primary care provider, as defined, a credit in an amount equal to 10% of the net tax, as specified.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 17053.102 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17053.102. (a) There shall be allowed a credit against the “net
- 4 tax,” as defined by Section 17039, an amount equal to 10 percent
- 5 of the “net tax” for the taxable year to a primary care provider who
- 6 provides primary care for patients in this state during the taxable
- 7 year.

1 (b) For purposes of this section, “primary care provider” means  
2 a physician and surgeon, a nurse practitioner, or a physician’s  
3 assistant.

4 (c) The credit shall be allowed by this section only to a primary  
5 care provider who first commences providing primary care services  
6 in this state on or after January 1, 2007.

7 (d) The credit shall be allowed by this section only for the first  
8 10 taxable years for which the primary care provider provides  
9 primary care services in this state.

10 (e) In the case of a primary care provider who is a physician  
11 and surgeon that changes his or her practice from primary care to  
12 specialty care, any credit previously allowed by this section shall  
13 be recaptured by adding the amount of the credit to the “net tax”  
14 for the taxable year in which the change of practice occurs.

15 (f) In the case where the credit allowed by this section exceeds  
16 the “net tax,” the excess may be carried over to reduce the “net  
17 tax” in the following year, and succeeding years if necessary, until  
18 the credit is exhausted.

19 SEC. 2. This act provides for a tax levy within the meaning of  
20 Article IV of the Constitution and shall go into immediate effect.

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