


# RURAL & FRONTIER HEALTHCARE PRECEPTOR CREDIT



EVALUATION SUMMARY JANUARY 2019

THIS EVALUATION WILL BE INCLUDED IN COMPILATION REPORT SEPTEMBER 2019

YEAR ENACTED	2016
REPEAL/EXPIRATION DATE	December 31, 2019
REVENUE IMPACT	\$74,000 (TAX YEAR 2017)
NUMBER OF TAXPAYERS	74
AVERAGE TAXPAYER BENEFIT	\$1,000
IS IT MEETING ITS PURPOSE?	Yes, to some extent

### WHAT DOES THIS TAX EXPENDITURE DO?

The Rural & Frontier Healthcare Preceptor Credit (Preceptor Credit) allows uncompensated health preceptors (e.g., doctors, dentists, advanced practice nurses, physician assistants) in rural and frontier areas of the state to claim a nonrefundable credit of \$1,000 to reduce their Colorado income tax liability. The preceptor, who is an experienced practitioner who acts as a teacher or mentor, must provide at least 4 weeks of instruction, training, and supervision to students enrolled in certain graduate programs at Colorado higher education institutions to be eligible to claim the credit. Each preceptor may only claim one Preceptor Credit per tax year, and only 200 Preceptor Credits are available each tax year.

### WHAT IS THE PURPOSE OF THIS TAX EXPENDITURE?

The legislative declaration in statute [Section 39-22-538(1)(b), C.R.S.] states that the purpose of the Preceptor Credit is to provide sufficient financial incentives to encourage preceptors to offer professional instruction, training, and supervision to eligible graduate students enrolled in Colorado higher education institutions who are seeking careers as primary healthcare providers in rural and frontier areas of Colorado.

**WHAT DID THE EVALUATION FIND?**

We determined that the Preceptor Credit is meeting its purpose to some extent because some eligible preceptors are using it, and the credit amount may be a sufficient financial incentive for some preceptors.

**WHAT POLICY CONSIDERATIONS DID THE EVALUATION IDENTIFY?**

To clarify the eligibility requirements, the General Assembly could consider defining the minimum preceptorship duration in terms of hours or days, rather than weeks.

Several ineligible preceptors were approved for the credit in Tax Year 2017.