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(Original Signature of Member)

119TH CONGRESS
2D SESSION

H. R. ______

To amend the Internal Revenue Code of 1986 to establish a refundable tax credit for health care providers in rural areas.

IN THE HOUSE OF REPRESENTATIVES

Mr. HARRIGAN introduced the following bill; which was referred to the Committee on ______________________________

A BILL

To amend the Internal Revenue Code of 1986 to establish a refundable tax credit for health care providers in rural areas.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ‘‘Resources for Essential Access to Community Health Act’’ or the ‘‘REACH Act’’.

SEC. 2. CREDIT FOR RURAL HEALTH CARE PROVIDERS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 36B the following new section:

"SEC. 36C. CREDIT FOR RURAL HEALTH CARE PROVIDERS.

"(a) IN GENERAL.—In the case of any eligible rural health care provider, there shall be allowed as a credit against the tax imposed by this subtitle for any taxable year an amount equal to $10,000.

"(b) ELIGIBLE RURAL HEALTH CARE PROVIDER.—For purposes of this section, the term 'eligible rural health care provider' means an individual who is employed not less than 900 hours during the taxable year—

"(1) as a primary care practitioner, mental health professional, nurse, or resident participating in an approved medical residency training program, and

"(2) in a rural area.

"(c) LIMITATION BASED ON ADJUSTED GROSS INCOME.—The amount of the credit allowed by subsection (a) (determined without regard to this subsection) shall be reduced (but not below zero) by the amount which bears the same ratio to such credit (as so determined) as—

"(1) the excess of—

"(A) the taxpayer's adjusted gross income for the taxable year, over

"(B) $170,000, bears to

"(2) $10,000.

"(d) DEFINITIONS.—For purposes of this section—

"(1) PRIMARY CARE PRACTITIONER.—The term 'primary care practitioner' has the meaning given such term in section 1833(x)(2)(A) of the Social Security Act (42 U.S.C. 1395l(x)(2)(A)). Such term includes a physician (as described in section 1861(r)(1) of such Act (42 U.S.C. 1395x(r)(1))) who has a primary specialty designation of obstetrics and gynecology.

"(2) MENTAL HEALTH PROFESSIONAL.—The term 'mental health professional' means a health service psychologist, licensed clinical social worker, licensed professional counselor, marriage or family therapist, psychiatric nurse specialist, or psychiatrist.

"(3) NURSE.—The term 'nurse' has the meaning given such term in section 428K(g)(7) of the Higher Education Act of 1965 (20 U.S.C. 1078–11(g)(7)).

"(4) APPROVED MEDICAL RESIDENCY TRAINING PROGRAM.—The term 'approved medical residency training program' has the meaning given such term in section 1886(h)(5)(A) of the Social Security Act (42 U.S.C. 1395ww(h)(5)(A)).

"(5) RURAL AREA.—The term 'rural area' has the meaning given such term in section 343(a)(13) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)).

"(e) REGULATIONS AND GUIDANCE.—The Secretary may publish such regulations or guidance as are necessary to administer this section.

"(f) TERMINATION OF CREDIT.—No credit shall be allowed under this section with respect to employment in taxable years beginning after December 31, 2033.".

(b) CONFORMING AMENDMENTS.—

(1) Section 1324(b)(2) of title 31, United States Code, is amended by inserting "36C," after "36B,".

(2) Section 6211(b)(4)(A) of the Internal Revenue Code of 1986 is amended by inserting "36C," after "36B,".

(3) The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 36B the following new item:

"Sec. 36C. Credit for rural health care providers.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2026.