

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

A Bill

HOUSE BILL 1670

5 By: Representative L. Johnson
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For An Act To Be Entitled

9 AN ACT TO AMEND STATE INCOME TAX LAWS; TO CREATE THE
10 PRECEPTOR TAX INCENTIVE PROGRAM; TO PROVIDE
11 INCENTIVES FOR CERTAIN MEDICAL OR COUNSELING
12 PROFESSIONALS TO TRAIN CERTAIN STUDENTS WHO ARE
13 LEARNING TO BECOME MEDICAL OR COUNSELING
14 PROFESSIONALS; AND FOR OTHER PURPOSES.
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Subtitle

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18 TO CREATE THE PRECEPTOR TAX INCENTIVE
19 PROGRAM; AND TO PROVIDE INCENTIVES FOR
20 CERTAIN MEDICAL OR COUNSELING
21 PROFESSIONALS TO TRAIN CERTAIN STUDENTS
22 WHO ARE LEARNING TO BECOME MEDICAL OR
23 COUNSELING PROFESSIONALS.
24

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
26

27 SECTION 1. Arkansas Code Title 26, Chapter 51, is amended to add an
28 additional subchapter to read as follows:

29 Subchapter 29 – Preceptor Tax Incentive Program
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31 26-51-2901. Title.

32 This subchapter shall be known and may be cited as the "Preceptor Tax
33 Incentive Program".
34

35 26-51-2902. Definitions.

36 As used in this subchapter:



1 (1) "Counseling student" means an individual participating in a
2 training program that is accredited by a nationally recognized accrediting
3 body for training a student to become a licensed professional counselor,
4 licensed associate counselor, licensed marriage and family therapist, or
5 licensed associate marriage and family therapist under § 17-27-101 et seq.;

6 (2) "Faculty preceptor" means an individual who is a:

7 (A) Physician licensed under the Arkansas Medical
8 Practices Act, § 17-95-201 et seq., § 17-95-301 et seq., and § 17-95-401 et
9 seq.;

10 (B) Registered nurse, advanced practice registered nurse,
11 or registered nurse practitioner under § 17-87-101 et seq.;

12 (C) Physician assistant licensed under § 17-105-101 et
13 seq.; or

14 (D) A licensed professional counselor, licensed associate
15 counselor, or licensed marriage and family therapist by the Arkansas Board of
16 Examiners in Counseling under § 17-27-101 et seq.;

17 (3) "Medical student" means an individual participating in a
18 training program that is accredited by a nationally recognized accrediting
19 body for training a student to become a physician licensed to practice
20 medicine under the Arkansas Medical Practices Act § 17-95-201 et seq., § 17-
21 95-301 et seq., and § 17-95-401 et seq.;

22 (4) "Nursing student" means an individual participating in a
23 training program that is accredited by a nationally recognized accrediting
24 body for training a student to become a registered nurse, advanced practice
25 registered nurse, or registered nurse practitioner under § 17-87-101 et seq.;

26 (5) "Physician" means an individual licensed to practice
27 medicine under the Arkansas Medical Practices Act, § 17-95-201 et seq., § 17-
28 95-301 et seq., and § 17-95-401 et seq.;

29 (6) "Physician assistant student" means an individual
30 participating in a training program that is accredited by a nationally
31 recognized accrediting body for training a student to become a physician
32 assistant as defined in § 17-105-101 et seq.;

33 (7) "Preceptorship rotation" means a period of preceptorship
34 training of one (1) or more residents, medical students, physician assistant
35 students, counseling students, or nursing students that occurs in the state
36 in aggregate totals at least one hundred sixty (160) hours;

1 (8) "Preceptorship training" means training of a resident,
 2 medical student, counseling student, nursing student, or physician assistant
 3 student that is required for completion of an accredited training program;
 4 and

5 (9) "Resident" means an individual participating in a graduate
 6 medical education training program accredited by the Accreditation Council
 7 for Graduate Medical Education.

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 9 26-51-2903. Uncompensated faculty preceptor – Definition.

10 (a) As used in this section, "uncompensated faculty preceptor" means
 11 the faculty preceptor who:

12 (1) Provides a preceptorship rotation; and

13 (2) Does not receive any kind of financial remuneration from any
 14 party for conducting the preceptorship rotation.

15 (b)(1) An uncompensated faculty preceptor is allowed an income tax
 16 credit against the income tax imposed by this chapter in the amount
 17 determined under subsection (c) of this section for wages he or she receives
 18 as a physician, licensed professional counselor, licensed associate
 19 counselor, licensed marriage and family therapist, professional nurse,
 20 advanced practice registered nurse, registered nurse practitioner, or
 21 physician assistant.

22 (2) If the amount of the income tax credit allowed under this
 23 section exceeds the taxpayer's income tax liability, the excess shall be
 24 refunded to the taxpayer.

25 (c)(1) The amount of the tax credit allowed under subsection (b) of
 26 this section is one thousand dollars (\$1,000) for each resident, medical
 27 student, physician assistant student, counseling student, or nursing student
 28 who participates in the preceptorship training during the calendar year.

29 (2) The taxpayer shall not claim more than ten thousand dollars
 30 (\$10,000) per year in income tax credits under this section.

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 32 26-51-2904. Compensated faculty preceptor – Definition.

33 (a) As used in this section, "compensated faculty preceptor" means a
 34 faculty preceptor who:

35 (1) Provides a preceptorship rotation; and

36 (2) Receives payment as an independent contractor as

1 compensation for conducting the preceptorship rotation paid for by the school
2 at which the medical student, nursing student, counseling student, or
3 physician assistant student has matriculated.

4 (b)(1) A compensated faculty preceptor is allowed an income tax credit
5 against the income tax imposed by this chapter in the amount determined under
6 subsection (c) of this section for payments he or she receives as an
7 independent contractor for conducting the preceptorship training.

8 (2) If the amount of the income tax credit allowed under this
9 section exceeds the taxpayer's income tax liability, the excess shall be
10 refunded to the taxpayer.

11 (c) The amount of the tax credit allowed under subsection (b) of this
12 section is equal to the amount the taxpayer received as compensation for
13 conducting the preceptorship training, not to exceed six thousand dollars
14 (\$6,000) per taxpayer.

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16 SECTION 2. EFFECTIVE DATE. Section 1 of this act is effective for tax
17 years beginning on or after January 1, 2025.