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§10–738. IN EFFECT

// EFFECTIVE UNTIL JUNE 30, 2026 PER CHAPTERS 153 AND 154 OF
2021 //

(a) (1) In this section the following words have the meanings indicated.

(2) “Department” means the Maryland Department of Health.

(3) “Licensed physician” means an individual who is licensed to practice medicine under Title 14 of the Health Occupations Article.

(4) “Preceptorship program” means an organized system of clinical experience that, for the purpose of attaining specified learning objectives, pairs an enrolled student of a Liaison Committee on Medical Education–accredited medical school in the State or an individual in a postgraduate medical training program in the State with a licensed physician who meets the qualifications as a preceptor.

(b) (1) Subject to the limitations of this section, a licensed physician may claim a credit against the State income tax in the amount stated on the tax credit certificate issued under subsection (c) of this section for the taxable year in which the licensed physician served without compensation as a physician preceptor in a preceptorship program authorized by an accredited medical school in the State and worked:

(i) a minimum of three rotations, each consisting of 100 hours of community–based clinical training; and

(ii) in an area of the State identified as having a health care workforce shortage by the Department, in consultation with the Governor’s Workforce Development Board.

(2) (i) The total amount of the credit allowed under this section for any taxable year may not exceed the State income tax imposed for that taxable year.

(ii) Any unused amount of the credit for any taxable year may not be carried over to any other taxable year.

(c) (1) On application by a licensed physician, the Department shall issue a credit certificate in the amount of \$1,000 for each student rotation of the minimum number of hours required under subsection (b)(1)(i) of this section for which the licensed physician served as a physician preceptor without compensation.

(2) The application shall contain:

(i) the name of the licensed physician;

(ii) information identifying the physician preceptorship in which the licensed physician participated;

(iii) the number and names of the students for whom the individual served as a physician preceptor without compensation; and

(iv) any other information that the Department requires.

(3) For any taxable year, the amount of tax credit stated in the tax credit certificate may not exceed \$10,000.

(4) The Department shall:

(i) approve all applications that qualify for a tax credit certificate under this subsection on a first-come, first-served basis; and

(ii) notify a taxpayer within 45 days of receipt of the taxpayer's application of its approval or denial.

(5) (i) For each taxable year, the total amount of tax credit certificates that may be issued by the Department under this section may not exceed \$100,000.

(ii) If the aggregate amount of tax credit certificates issued under this section during a taxable year total less than the amount authorized under this paragraph, any excess amount may be issued under tax credit certificates in the next taxable year.

(d) On or before January 31 of each taxable year, the Department shall:

(1) report to the Comptroller on the tax credit certificates issued under this section during the prior taxable year; and

(2) report to the General Assembly, in accordance with § 2-1257 of the State Government Article, on the utilization of the credit established under this section.

(e) The Department, in consultation with the Governor's Workforce Development Board, shall adopt regulations to carry out the provisions of this section, including the criteria and procedures for application for, approval of, and monitoring eligibility for the tax credit authorized under this section.

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