



Testimony in Support of
Senate Bill 466 – Income Tax – Credit for Physician Preceptors in Areas With Health Care Workforce
Shortages
Budget and Taxation Committee
February 18, 2026

The Rural Maryland Council supports **Senate Bill 466 – Income Tax – Credit for Physician Preceptors in Areas With Health Care Workforce Shortages**. SB 466 would expand and improve the existing Preceptor Tax Credit Program by altering eligibility for a State income tax credit for physician preceptors in designated health care workforce shortage areas. The bill removes the requirement that students in a physician preceptorship must be enrolled in a Maryland medical school or training program and reduces the number of required hours for a preceptor rotation in community-based clinical training, making the credit more accessible and responsive to current workforce needs. The bill applies to taxable years beginning after December 31, 2025.

The Preceptor Tax Credit Program was created to strengthen Maryland's health care workforce by encouraging licensed professionals to serve as preceptors, providing critical, hands-on clinical learning experiences in underserved areas. Currently, the program authorizes a tax credit against State income tax for individuals, including physicians, who serve without compensation as preceptors in defined preceptorship programs and work in areas with health care workforce shortages. A qualifying preceptorship pairs a medical student or nurse practitioner student with a licensed physician or nurse practitioner for structured clinical training.

Maryland continues to face health care workforce shortages, especially in rural and medically underserved areas. Encouraging preceptorships through tax incentives increases the number of trained clinicians and supports retention of providers who understand and serve community needs. By broadening eligibility and reducing barriers to participation, SB 466 will help more physicians serve as preceptors and better support clinical training opportunities in shortage areas, ultimately contributing to a stronger, more resilient health care workforce across the State.

The Rural Maryland Council respectfully requests your favorable support of SB 466.