

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

Senate Bill 46

**FISCAL
NOTE**

BY SENATORS FERNS, BLAIR, RUCKER AND STOLLINGS

[Introduced February 8, 2017; referred
to the Committee on Health and Human Resources; and
then to the Committee on Finance]

1 A BILL to amend and reenact §11-27-8 of the Code of West Virginia, 1931, as amended, relating
2 to excluding mobile x-ray services from the health care provider tax.

Be it enacted by the Legislature of West Virginia:

1 That §11-27-8 of the Code of West Virginia, 1931, as amended, be amended and
2 reenacted to read as follows:

ARTICLE 27. HEALTH CARE PROVIDER TAXES.

§11-27-8. Imposition of tax on providers of independent laboratory or x-ray services.

1 (a) *Imposition of tax.* -- For the privilege of engaging or continuing within this state in the
2 business of providing independent laboratory or x-ray services, there is hereby levied and shall
3 be collected from every person rendering ~~such~~ the service an annual broad-based health care
4 related tax.

5 (b) *Rate and measure of tax.* -- The tax imposed in subsection (a) of this section ~~shall be~~
6 is five percent of the gross receipts derived by the taxpayer from furnishing independent
7 laboratory or x-ray services in this state.

8 (c) *Definitions.* --

9 (1) "Gross receipts" means the amount received or receivable, whether in cash or in kind,
10 from patients, third-party payers and others for independent laboratory or x-ray services furnished
11 by the provider, including retroactive adjustments under reimbursement agreements with third-
12 party payers, without any deduction for any expenses of any kind: *Provided*, That accrual basis
13 providers ~~shall be~~ are allowed to reduce gross receipts by their contractual allowances, to the
14 extent ~~such~~ the allowances are included therein, and by bad debts, to the extent the amount of
15 ~~such~~ the bad debts was previously included in gross receipts upon which the tax imposed by this
16 section was paid.

17 (2) "Contractual allowances" means the difference between revenue (gross receipts) at
18 established rates and amounts realizable from third-party payers under contractual agreements.

19 (3) "Independent laboratory or x-ray services" means those services provided in a

20 licensed, free-standing laboratory or x-ray facility. It does not include laboratory or x-ray services
21 provided in a physician's office, through a mobile unit, hospital inpatient department or hospital
22 outpatient department.

23 (d) *Effective date.* -- The tax imposed by this section ~~shall apply~~ applies to gross receipts
24 received or receivable by providers after May 31, 1993.

NOTE: The purpose of this bill is to exclude mobile x-ray services from the health care provider tax.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.