

The Nurse Corps Tax Parity Act

Led by Senators Merkley (D-OR), Wicker (R-MS), Murray (D-WA), and Boozman (R-AR)

Background

The National Health Service Corps (NHSC) and the Nurse Corps are two programs administered by the Health Resources and Services Administration (HRSA) aimed at delivering critical health care services in underserved areas. Both corps programs offer both scholarships and loan repayment for health care providers in exchange for service in these areas. Despite the similar missions and program offerings of the NHSC and Nurse Corps, disparities currently exist in the tax statuses of the two programs.

Currently, NHSC scholarships (Internal Revenue Code Section 117(c)(2)(A)) and NHSC loan repayment programs (Internal Revenue Code Section 108(f)(4)) are specifically not subject to federal income taxation due to provisions in the income tax code. However, a similar statutory exemption is not currently available for Nurse Corps scholarships or Nurse Corps loan repayment programs.

Without a statutory exemption for the Nurse Corps, scholarships or loan repayments that can be considered compensation for services are taxable.

The Solution

To ensure parity in tax status between the NHSC and Nurse Corps, the *Nurse Corps Tax Parity Act* amends the Internal Revenue Code to create parity in tax treatment for scholarships and loan repayment between the NHSC and the Nurse Corps.

Endorsements

This legislation is endorsed by the American Nurses Association (ANA), the American Association of Colleges of Nursing (AACN), the American Association of Nurse Anesthesiology (AANA), the American Association of Nurse Practitioners (AANP), the Association of Public Health Nurses (APHN), the Association of Rehabilitation Nurses (ARN), American Federation of State, County and Municipal Employees (AFSCME), the Commissioned Officers Association of the USPHS (COA), Friends of the National Institute of Nursing Research (FNINR), and the Oncology Nursing Society (ONS).

Cosponsors

In addition to Merkley, Wicker, Murray, and Boozman, this bill is cosponsored by Senators Sanders (I-VT), Whitehouse (D-RI), Stabenow (D-MI), Welch (D-VT), Klobuchar (D-MN), Kelly (D-AZ), and Gillibrand (D-NY).