

Senate Bill No. 386

(By Senators Ferns, Stollings
and D. Hall)

[Introduced February 2, 2015;
referred to the Committee on
Health and Human Resources;
and then to the Committee on Finance.]

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

Be it enacted by the Legislature of West Virginia:

That §11-27-8 of the Code of West Virginia, 1931, as amended, be amended and 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 be
3 collected from every person rendering ~~such~~ the service an annual broad-based health care related tax.

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

7 (c) *Definitions.* --

8 (1) "Gross receipts" means the amount received or receivable, whether in cash or in kind,

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1 from patients, third-party payers and others for independent laboratory or x-ray services furnished
2 by the provider, including retroactive adjustments under reimbursement agreements with third-party
3 payers, without any deduction for any expenses of any kind: *Provided*, That accrual basis providers
4 ~~shall be~~ are allowed to reduce gross receipts by their contractual allowances, to the extent ~~such~~ the
5 allowances are included therein, and by bad debts, to the extent the amount of ~~such~~ the bad debts was
6 previously included in gross receipts upon which the tax imposed by this section was paid.

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

9 (3) "Independent laboratory or x-ray services" means those services provided in a licensed,
10 free-standing laboratory or x-ray facility. It does not include laboratory or x-ray services provided
11 in a physician's office, through a mobile unit, hospital inpatient department or hospital outpatient
12 department.

13 (d) *Effective date.* -- The tax imposed by this section ~~shall apply~~ applies to gross receipts
14 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 the present law, and underscoring indicates new language that would be added.)