



# Alabama Preceptor Tax Incentive Program

**May 2024**



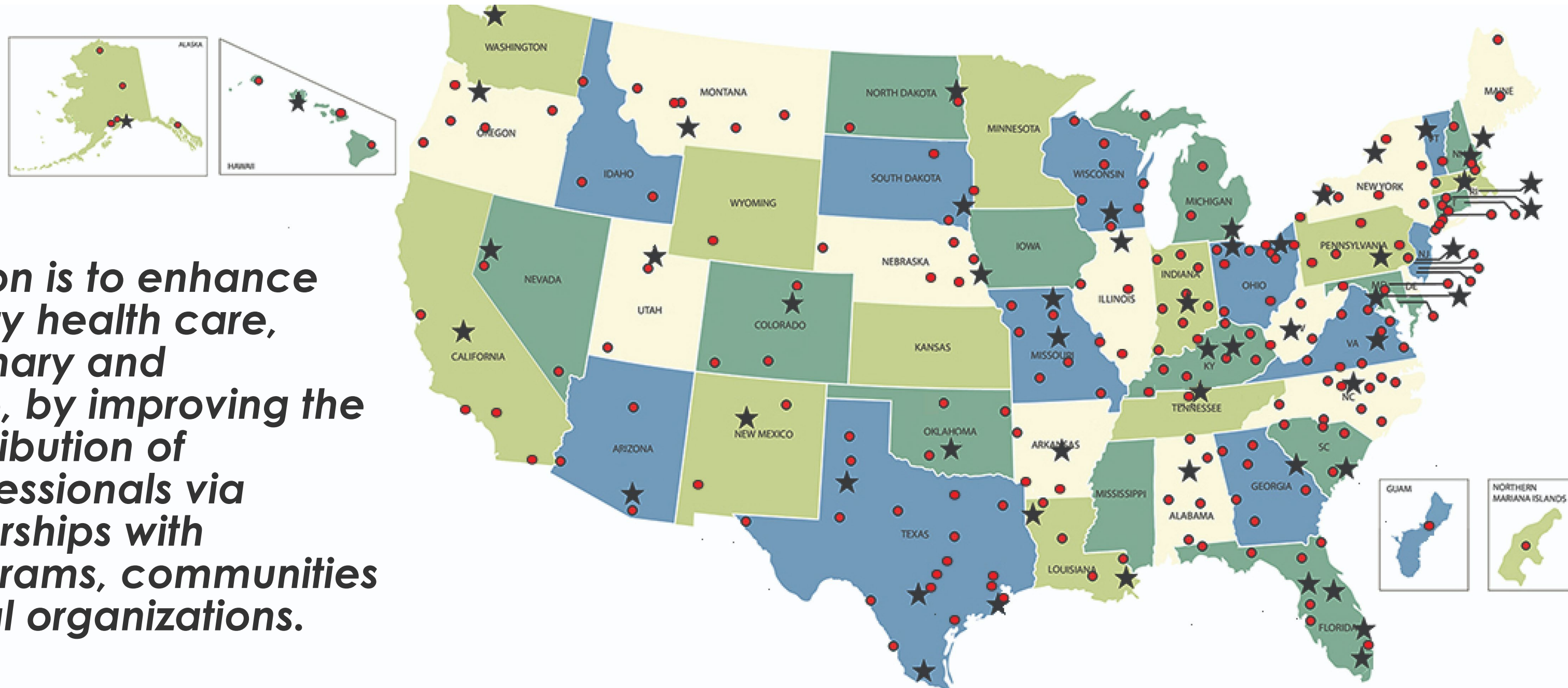
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[alahec.org](http://alahec.org)



# Who are we?

Developed by Congress in 1971 to recruit, train and retain a health professions workforce committed to underserved populations and to bring the resources of academic medicine to address local community health needs.

- a network of more than 300 AHEC program offices and centers
- serve over 85% of United States counties



***The AHEC mission is to enhance access to quality health care, particularly primary and preventive care, by improving the supply and distribution of healthcare professionals via strategic partnerships with academic programs, communities and professional organizations.***

# Alabama PTIP

## Preceptor Tax Incentive Program

### ALABAMA PRECEPTOR TAX INCENTIVE PROGRAM (PTIP)

#### Eligible Programs

The program must be an Institution of higher education that is physically located in this state and has an accredited educational program for medicine, dentistry, optometry, physician assistants, anesthesia assistants, or certified registered nurse practitioners, certified nurse midwives, or certified registered nurse anesthetists.

Programs will submit completed rotation dates and hours to the Statewide AHEC.



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TODAY

# ALABAMA PTIP

Preceptor Tax Incentive Program

The Alabama Preceptor Tax Incentive Program (APTIP) addresses the need for students and training programs in the health professions, including medicine, physician assistants, nurse practitioners, nurse midwives, nurse anesthetists, optometrists, and dentists, to have access to community-based training opportunities. ***Eligible qualified health professionals who provide community-based unpaid clinical preceptorships for health professions students will receive a tax credit under APTIP.*** It is our hope that this initiative will widen access to healthcare in Alabama and strengthen the most underserved communities.

# APTIP Goals

## Support Rural Medicine

- Shortage of rural primary care physicians/providers needs solving

## Maintain & Increase Rural Preceptors

- Training falls to those who have been doing it
- Recruitment and Retention tool

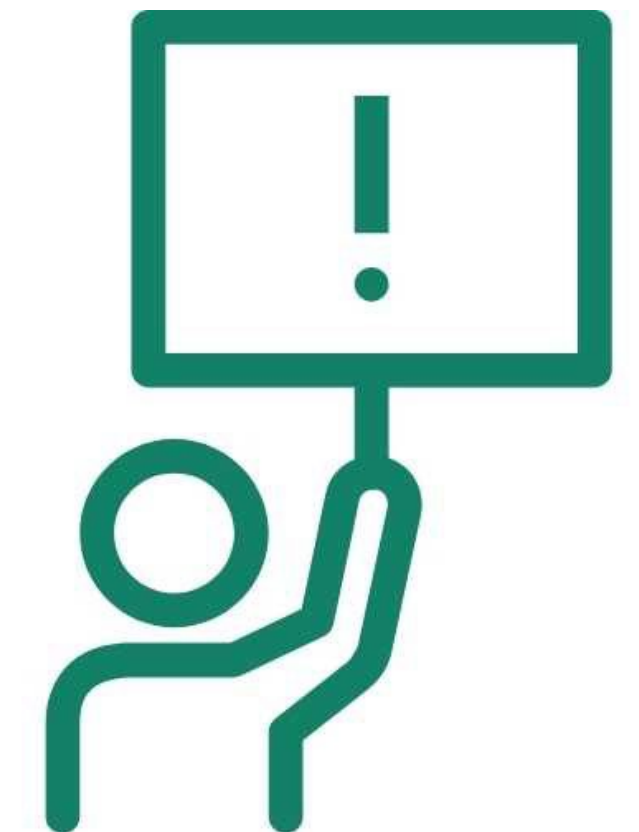
## Increase Students' Rural Exposure

- More students wanting a rotation than there are preceptors
- Develop pipeline of rural physicians

# Incentive Structure

- APTIP provides an income tax credit for otherwise unpaid community-based preceptors.

\$500 tax credit incentive	160 hours of clinical preceptorship rotation	<ul style="list-style-type: none"><li>• Medical Allopathic</li><li>• Osteopathic</li><li>• Dental</li><li>• Optometric</li></ul>	Maximum \$6,000 per calendar year
\$425 tax credit incentive	160 hours of clinical preceptorship rotation	<ul style="list-style-type: none"><li>• Registered Nurse Practitioner</li><li>• Certified Nurse Midwife</li><li>• Certified Registered Nurse Anesthetist</li><li>• Physician Assistant</li></ul>	Maximum \$5,100 per calendar year



# Eligibility

Must NOT have received direct compensation for precepting or teaching students from any source this calendar year.

Must be licensed in the state of Alabama for one of the following disciplines:  
Physician (MD/DO), Dentist, Optometrist, Physician Assistant, Anesthesia Assistant,  
Registered Nurse Anesthetist, Certified Registered Nurse Practitioner, Certified Registered  
Nurse Midwife

The credit is only available for rotations supporting eligible Alabama programs.

Rotations must be performed in a medically underserved rural area in order to be certified.

You must complete a minimum of 1 rotation to be eligible; credit is provided retroactively once eligibility is established.

A maximum of 12 rotations may be claimed each calendar year.

**Regardless of program participation, all preceptors MUST register with APTIP in order for their rotations to be certified; in addition, registration does not guarantee that rotations will be certified. All rotations must meet criteria set forth by the State of Alabama.**

# Eligibility

**I am a faculty member at institution A, but I precept for institution B. Am I eligible for the incentive?**

No. If you receive compensation for teaching from ANY source, you are not eligible for the incentive.

**I precept for a program in Georgia, but I live in Alabama. Am I eligible for the incentive?**

No. You must precept for participating ALABAMA programs. Georgia has a separate Tax Incentive program that you may apply for.

# What will I be doing?

**Each quarter you will log into the APTIP System and enter in the rotations completed by preceptors precepting students in your program.**

- Communicate with your preceptors. Remind them to register for APTIP.
- Submit accurate data by specific deadline.
- Run reports to check data is correct. If data is incorrect please contact [atunagur@uab.edu](mailto:atunagur@uab.edu)
- Complete submitted rotations once the date has passed.

# Academic Program Submission Deadlines

**Programs submit eligible completed rotations directly into a secure database three times per year:**

- Rotations completed between Jan – May are due June 1
- Rotations completed between June – Aug are due September 1
- Rotations completed between Sept – Dec are due December 15\*

*\* Rotations can be post-dated for this deadline.*

**2024 deadline for rotations completed between  
Jan-May is July 1**

## Alabama Preceptor Tax Incentive Program (APTIP)

In 2023, Alabama legislature approved the Alabama Preceptor Tax Incentive Program (APTIP) to offer a tax deduction to uncompensated healthcare professions students in our State. The goal of the APTIP is to increase medical student training in rural and underserved counties in Alabama.

Administered by the [Alabama Statewide AHEC Program Office](#), APTIP provides a \$500 income tax credit incentive for each 160-hour clinical preceptorship rotation per calendar year for what would otherwise be unpaid work by community-based faculty preceptor positions. Precepting physicians are eligible for a maximum of \$6,000 per calendar year. Similarly, the law provides a \$425 tax incentive for each 160-hour clinical preceptorship rotation per calendar year for preceptors who are nurse practitioners, certified nurse midwives, certified registered nurse anesthetists or physician assistants, with a \$5,100 annual maximum.

This novel program provides a way for Alabama to say “thank you” to the uncompensated preceptors who train our next generation of key health care providers.

[APTIP PROCESS FLOWCHART](#)

[APTIP BROCHURE](#)



# Eligibility

The Alabama Preceptor Tax Incentive Program (APTIP) rewards licensed physicians, dentists, optometrists, nurse practitioners, certified nurse midwives, certified registered nurse anesthetists, and physician assistants taking Alabama, medical, physician assistant, nurse practitioner, nursing, midwife and nurse anesthetist students into their practices for the students' required clerkships.

The credit is only available for rotations supporting *eligible Alabama programs*.

Preceptors who receive direct compensation for teaching from **ANY** source are not eligible to earn this deduction.

### Eligible Programs:

The program must be an Institution of higher education that is physically located in this state and has an accredited educational program for medicine, dentistry, optometry, physician assistants, anesthesia assistants, or certified registered nurse practitioners, certified nurse midwives, or certified registered nurse anesthetists. ***Programs must be registered with the Alabama Statewide AHEC Program Office.***

Programs will submit completed rotation dates and hours to the Alabama Statewide AHEC Program Office.

NEW PROGRAM REGISTRATION

### Preceptor Qualifications:

- Licensed physician, dentist, optometrist, nurse practitioner, certified nurse midwife, certified registered nurse anesthetist, or physician assistant
- Cannot receive direct compensation for teaching medical, osteopathic, NP, PA or RN students from any source.
- The credit is only available for rotations supporting *eligible Alabama programs*.
- Must complete a minimum of 1 rotation to be eligible; credit is provided retroactively once eligibility is established. A maximum of 12 rotations may be claimed each calendar year.
- Maximum tax credit earned each year is \$6,000 for Physicians and \$5,100 for NP, PAs and RNs.
- The 160 hours does NOT have to be tied to a single rotation, but is accrued across all students precepted. Some student rotations may be one day a week for four months, while others may be completed in 4-6 week blocks. *Using hours to determine a credit levels the field so that all credits are earned based on 160 hours of teaching.*
- Regardless of program participation, all preceptors MUST register with APTIP in order for their rotations to be certified.

PRECEPTOR REGISTRATION COMING SOON

## Preceptor FAQs

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How many tax credits can I earn?



Why are Physicians provided a higher level of credit than the APRN or PA preceptors?



How will preceptors register for the program? Do I need to re-register each year?



I have not precepted students before; how do I get started?



How will student hours be counted?



What type of documentation will I receive for my tax purposes?



Can I carry over rotations into the next calendar year for eligibility?



# Data Entry Training

# Discussion & Questions?





# Thank You



Contact

[atunagur@uab.edu](mailto:atunagur@uab.edu)



Website

[alahec.org/aptip](http://alahec.org/aptip)

