



AMERICAN ACADEMY OF
FAMILY PHYSICIANS
STRONG MEDICINE FOR AMERICA

January 18, 2010

The Honorable E. Benjamin Nelson
United States Senate
Washington, DC 20510

Dear Senator Nelson:

On behalf of the 94,700 members of the American Academy of Family Physicians, we appreciate your efforts to offer tax relief for physicians who participate in state loan forgiveness programs which are not currently tax exempt. Thank you for sponsoring the *Health Professions State Loan Repayment Tax Relief Act (S. 860)*. This measure will exclude loan repayments from individual federal income tax for those participating in state-funded health professions loan repayment programs.

Family medicine recognizes that physicians with significant medical school debt could benefit from a federal income tax exemption of state loan repayments. AAFP has called for deferment of interest and principal payments on medical student loans until after completion of postgraduate training. In addition, we support the tax-deductibility of interest on principal payment for such loans.

It is increasingly clear that our nation has a worsening shortage of primary care physicians. We commend you for introducing S. 860 to offer tax relief for payments under state programs intended to provide increased health care services in underserved or health professional shortage areas. Health care reform demands that we strengthen workforce and education policies to ensure an adequate number of primary care physicians in underserved areas. We were pleased to see that your bill was added to the *Patient Protection and Affordable Care Act (HR 3590, Sec. 10908)*.

We will continue to work for genuine health care reform, and we are committed to supporting tax relief to the health professionals who will be the foundation of our nation's revitalized health care system.

Sincerely,

Ted Epperly, MD, FAAFP
Board Chair

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