

1 SENATE BILL 285

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

3 INTRODUCED BY

4 James G. Townsend and Nicholas A. Paul and Anthony L. Thornton
5 and Jay C. Block and Pat Boone
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10 AN ACT

11 RELATING TO TAXATION; EXEMPTING TIPS FROM INCOME TAX.
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13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

14 SECTION 1. A new section of the Income Tax Act is enacted
15 to read:

16 "[NEW MATERIAL] EXEMPTION--INCOME FROM TIPS.--A resident
17 who receives tips as compensation for services rendered by the
18 resident or as part of wages earned by the resident may claim
19 an exemption in the amount of the tips received from income
20 includable, except for this exemption, in net income."

21 SECTION 2. APPLICABILITY.--The provisions of this act
22 apply to taxable years beginning on or after January 1, 2025.
23 .230375.1
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underscored material = new
[bracketed material] = delete