AN ACT

RELATING TO HOUSEHOLD RELIEF; CREATING SUPPLEMENTAL 2021 INCOME TAX REBATES; AUTHORIZING A TRANSFER FROM THE TAX STABILIZATION RESERVE IF REVENUES AND TRANSFERS ARE NOT SUFFICIENT TO MEET APPROPRIATIONS DUE TO THE COST OF THE REBATES; MAKING APPROPRIATIONS; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

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

"[NEW MATERIAL] SUPPLEMENTAL 2021 INCOME TAX REBATES.--

A. A resident who files an individual New Mexico income tax return for taxable year 2021 by May 31, 2023 and who is not a dependent of another individual is eligible for two tax rebates pursuant to this section.

B. For a resident who files an income tax return by .222892.2
May 31, 2022:

   (1) the first tax rebate shall be made as soon
as possible, but no later than June 30, 2022, in the following
amounts:

   (a) five hundred dollars ($500) for
heads of household, surviving spouses and married individuals
filing joint returns; and

   (b) two hundred fifty dollars ($250) for
single individuals and married individuals filing separate
returns; and

   (2) the second tax rebate shall be made
between August 1 and August 30, 2022 in the following amounts:

   (a) five hundred dollars ($500) for
heads of household, surviving spouses and married individuals
filing joint returns; and

   (b) two hundred fifty dollars ($250) for
single individuals and married individuals filing separate
returns.

C. For a resident who files an income tax return
for taxable year 2021 after May 31, 2022, rebates shall be made
in the amounts and as provided in Subsection B of this section
as soon as possible after the return is received; provided that
a rebate shall not be allowed for a return filed after May 31,
2023.

D. The rebates provided by this section may be
deducted from the taxpayer's New Mexico income tax liability
for taxable year 2021. If the amount of rebate exceeds the
taxpayer's income tax liability, the excess shall be refunded
to the taxpayer.

E. The department may require a taxpayer to claim a
rebate provided by this section on forms and in a manner
required by the department."

SECTION 2. TEMPORARY PROVISION--TRANSFER FROM TAX
STABILIZATION RESERVE.--If revenues and transfers to the
general fund are not sufficient to meet appropriations at the
end of fiscal year 2022 due to the cost of the rebates provided
by this act, the governor, with state board of finance
approval, may transfer to the appropriation account of the
general fund the amount necessary to meet that fiscal year's
obligations from the tax stabilization reserve pursuant to
Section 6-4-2.2 NMSA 1978; provided that the total amount
transferred pursuant to this section shall not exceed two
hundred million dollars ($200,000,000).

SECTION 3. APPROPRIATIONS.--

A. Six hundred thousand dollars ($600,000) is
appropriated from the general fund to the taxation and revenue
department for expenditure in fiscal years 2022 and 2023 for
reasonable technology and administrative costs necessary to
implement the provisions of this act. Any unexpended or
unencumbered balance remaining at the end of fiscal year 2023
shall revert to the general fund.

B. One hundred seventy-five thousand dollars ($175,000) is appropriated from the general fund to the department of finance and administration for expenditure in fiscal years 2022 and 2023 for fiscal agent fees and administrative expenses necessary to implement the provisions of this act. Any unexpended or unencumbered balance remaining at the end of fiscal year 2023 shall revert to the general fund.

SECTION 4. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.