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SENATE BILL 206

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,
2000**

INTRODUCED BY

Leonard Lee Rawson

AN ACT

RELATING TO TAXATION; PROVIDING A TAX CREDIT FOR EMPLOYER
VEHICLES USED TO TRANSPORT EMPLOYEES EARNING LESS THAN TWENTY
THOUSAND DOLLARS (\$20,000) PER YEAR; ENACTING SECTIONS OF THE
NMSA 1978.

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] EMPLOYEE TRANSPORTATION TAX CREDIT.--

A. An employer who is a taxpayer filing an income
tax return pursuant to the Income Tax Act may claim a credit
against the taxpayer's income tax liability in an amount
equal to the actual mileage accrued providing transportation
for employees to and from work with the taxpayer at the
internal revenue standard mileage rate for transportation
provided to the taxpayer's employees who earn less than

.130464.1

underscored material = new
~~[bracketed material]~~ = delete

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1 twenty thousand dollars (\$20,000) per year from that
2 taxpayer. The tax credit created in this subsection may be
3 cited as the "employee transportation tax credit".

4 B. The taxpayer claiming a tax credit pursuant to
5 this section shall provide to the department actual odometer
6 readings for the miles that a vehicle was in use transporting
7 eligible employees and other verification as required by the
8 department of the mileage accrued in transporting employees
9 to and from work.

10 C. Nothing in this section creates a liability on
11 the part of a taxpayer to an employee for wages or other
12 compensation:

13 (1) for the time an employee spends in
14 transit to or from his place of employment in a vehicle
15 provided by the taxpayer; or

16 (2) for the time an employee may possess a
17 vehicle provided to the employee by the taxpayer."

18 Section 2. A new section of the Corporate Income and
19 Franchise Tax Act is enacted to read:

20 "[NEW MATERIAL] CORPORATE EMPLOYEE TRANSPORTATION TAX
21 CREDIT.--

22 A. A taxpayer filing a tax return pursuant to the
23 Corporate Income and Franchise Tax Act may claim a credit
24 against the taxpayer's corporate income tax liability in an
25 amount equal to the actual mileage accrued providing
transportation for employees to and from work with the
taxpayer at the internal revenue standard mileage rate for

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underscoring material = new
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1 transportation provided to the taxpayer's employees who earn
2 less than twenty thousand dollars (\$20,000) per year from
3 that taxpayer. The tax credit created in this subsection may
4 be cited as the "corporate employee transportation tax
5 credit".

6 B. The taxpayer claiming a tax credit pursuant to
7 this section shall provide to the department actual odometer
8 readings for the miles that a vehicle was in use transporting
9 eligible employees and other verification as required by the
10 department of the mileage accrued in transporting employees
11 to and from work to the department.

12 C. Nothing in this section creates a liability on
13 the part of a taxpayer to an employee for wages or other
14 compensation:

15 (1) for the time an employee spends in
16 transit to or from his place of employment in a vehicle
17 provided by the taxpayer; or

18 (2) for the time an employee may possess a
19 vehicle provided to the employee by the taxpayer."

20 Section 3. EFFECTIVE DATE.--The effective date of the
21 provisions of this act is January 1, 2001.