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SENATE BILL 336

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

INTRODUCED BY

Billy J. McKibben

AN ACT

RELATING TO TAXATION; PROVIDING FOR AN INCOME TAX CREDIT TO  
DISTRIBUTE PAYMENTS OF REVENUE-SHARING ARREARAGES.

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

Section 1. A new section of the Income Tax Act, Section  
7-2-18.7 NMSA 1978, is enacted to read:

"7-2-18.7. [NEW MATERIAL] TAXPAYER RELIEF CREDIT.--

A. For the 2000 and subsequent taxable years, any  
resident who files an individual New Mexico income tax return  
and who is not a dependent of another taxpayer may claim for  
the resident, and if included in the resident's return for  
the resident's spouse and each dependent of the resident, a  
credit provided by this section in an amount determined in  
accordance with Subsection B of this section; provided that a  
credit allowed by this section may not be claimed or allowed  
for a resident, spouse or dependent who was an inmate of a

.131802.1

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

1 public institution for more than six months during the  
2 taxable year.

3 B. By October 10, 2000, the department of finance  
4 and administration shall determine the amount of revenue-  
5 sharing payments or portions of payments due prior to January  
6 1, 2000 pursuant to revenue-sharing agreements authorized by  
7 Section 11-13-2 NMSA 1978 but which were received by the  
8 state during the period January 1, 2000 through September 30,  
9 2000 and shall notify the secretary of taxation and revenue  
10 of that amount. For the 2001 and succeeding taxable years,  
11 the department of finance and administration shall determine  
12 the amount of revenue-sharing payments or portions of  
13 payments due prior to January 1, 2000 but received during the  
14 period October 1 of the immediately preceding taxable year  
15 through September 30 of the taxable year and report that  
16 amount to the secretary of taxation and revenue by October 10  
17 of that taxable year. The taxation and revenue department  
18 shall determine the amount of the credit for a taxable year  
19 by dividing the amount reported by the department of finance  
20 and administration in October of the taxable year by the  
21 estimated population of the state. The resulting dividend  
22 shall be rounded down to the nearest dollar. That dollar  
23 amount shall be the credit amount for purposes of this  
24 section for the taxable year; provided that if the amount  
25 reported is less than one million dollars (\$1,000,000), the  
credit amount shall be zero.

C. For purposes of this section, "dependent" means

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1 "dependent" as defined by Section 152 of the Internal Revenue  
2 Code of 1986, as that section may be amended or renumbered,  
3 but also includes any minor child or stepchild of the  
4 resident who would be a dependent for federal income tax  
5 purposes if the public assistance contributing to the support  
6 of the child or stepchild was considered to have been  
7 contributed by the resident.

8 D. The credit provided by this section may be  
9 deducted from the resident's New Mexico income tax liability.  
10 If the credit exceeds the resident's liability, the excess  
11 shall be refunded to the resident."

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