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HOUSE BILL 223

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

Judy Vanderstar Russell

AN ACT

RELATING TO TAXATION; EXEMPTING FROM INCOME TAXATION CERTAIN  
ANNUITY AND PENSION INCOME.

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]~~ EXEMPTION-- ANNUITY AND PENSION INCOME. --

A. An individual may claim an exemption from  
income taxation for annuity or pension income included in base  
income in an amount not to exceed three thousand dollars  
(\$3,000).

B. As used in this section, "annuity or pension  
income" means that pension or annuity income required by  
federal law or regulation to be reported on information return  
federal form 1099-R or any successor form used to report

underscored material = new  
[bracketed material] = delete

1 distributions from pensions, annuities, retirement or profit-  
2 sharing plans, individual retirement accounts, insurance  
3 contracts and similar income that is attributable to any  
4 benefit taxable for federal income tax purposes paid to an  
5 individual under a qualified plan, annuity or simplified  
6 employee pension plan pursuant to Sections 401 through 404,  
7 408 or 457 of the Internal Revenue Code and including any  
8 inside buildup of interest distributed in conjunction with any  
9 of the listed distributions. "

10 Section 2. APPLICABILITY. -- The provisions of this act  
11 apply to taxable years beginning on or after January 1, 2002.

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