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HOUSE BILL 16

**52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015**

INTRODUCED BY

Bill McCamley

AN ACT

RELATING TO TAXATION; IMPOSING A SURTAX ON A CORPORATION THAT  
PAYS ITS CHIEF EXECUTIVE OFFICER A SALARY THAT IS AT LEAST ONE  
HUNDRED TIMES GREATER THAN THE AVERAGE SALARY OF EMPLOYEES NOT  
IN UPPER MANAGEMENT.

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

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

"[NEW MATERIAL] SURTAX ON CERTAIN CORPORATIONS.--A surtax  
equal to a rate of one percent is imposed upon the net income  
of every domestic corporation, and upon the net income of every  
foreign corporation, employed or engaged in the transaction of  
business in, into or from this state or deriving any income  
from any property or employment within this state, that pays  
its chief executive officer or similar senior corporate officer

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1 or executive a salary that is at least one hundred times  
2 greater than the average salary of all other employees of the  
3 corporation that are not in upper management."

4 SECTION 2. APPLICABILITY.--The provisions of this act  
5 apply to taxable years beginning on or after January 1, 2015.