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SENATE BILL

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

Harold Pope

AN ACT

RELATING TO TAXATION; REMOVING THE SUNSET DATE OF AN INCOME TAX
EXEMPTION FOR ARMED FORCES RETIREMENT PAY; EXTENDING THE TAX
EXEMPTION TO THE SURVIVING SPOUSE OF AN ARMED FORCES RETIREE.

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

SECTION 1. Section 7-2-5.13 NMSA 1978 (being Laws 2022,
Chapter 47, Section 6) is amended to read:

"7-2-5.13. EXEMPTION--ARMED FORCES RETIREMENT PAY.--

A. An individual who is an armed forces retiree or
the surviving spouse of an armed forces retiree may claim an
exemption in ~~[the following amounts]~~ an amount equal to thirty
thousand dollars (\$30,000) of [military] armed forces
retirement pay includable, except for this exemption, in net
income

~~[(1) for taxable year 2022, ten thousand~~

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

underscoring = new
[bracketed material] = delete

1 ~~dollars (\$10,000);~~
2 ~~(2) for taxable year 2023, twenty thousand~~
3 ~~dollars (\$20,000); and~~
4 ~~(3) for taxable years 2024 through 2026,~~
5 ~~thirty thousand dollars (\$30,000)].~~

6 B. As used in this section, "armed forces retiree"
7 means a former member of the armed forces of the United States
8 who has qualified by years of service or disability to separate
9 from military service with lifetime benefits."

10 SECTION 2. EFFECTIVE DATE.--The effective date of the
11 provisions of this act is January 1, 2025.