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HOUSE BILL 545

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

Rod Montoya and Jonathan A. Henry

AN ACT

RELATING TO TAXATION; CREATING THE GAS AND ELECTRIC BILL INCOME TAX CREDIT.

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] CREDIT--GAS AND ELECTRIC BILL INCOME TAX CREDIT.--

A. A taxpayer who is a resident, who is not a dependent of another individual and who is billed by a public utility or rural electric cooperative for natural gas or electric services provided to the taxpayer's primary place of residence may claim a credit against the taxpayer's tax liability imposed pursuant to the Income Tax Act. The credit authorized pursuant to this section may be referred to as the

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1 "gas and electric bill income tax credit".

2 B. The amount of the tax credit shall be in an
3 amount equal to fifty percent of the amount billed to the
4 taxpayer for natural gas or electric services provided to the
5 taxpayer's primary place of residence during the taxable year
6 in which the taxpayer claims the credit.

7 C. A taxpayer shall apply for certification of
8 eligibility for the tax credit from the public regulation
9 commission on forms and in the manner prescribed by the
10 commission. Except as provided in Subsection E of this
11 section, only one tax credit shall be certified per taxpayer
12 per taxable year. If the commission determines that the
13 taxpayer meets the requirements of this section, the commission
14 shall issue a dated certificate of eligibility to the taxpayer
15 providing the amount of tax credit for which the taxpayer is
16 eligible and the taxable years in which the credit may be
17 claimed. The commission shall provide the department with the
18 certificates of eligibility issued pursuant to this subsection
19 in an electronic format at regularly agreed upon intervals.

20 D. That portion of the tax credit that exceeds a
21 taxpayer's income tax liability in the taxable year in which
22 the credit is claimed shall be refunded to the taxpayer.

23 E. Married individuals filing separate returns for
24 a taxable year for which they could have filed a joint return
25 may each claim only one-half of the tax credit that would have

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1 been claimed on a joint return.

2 F. A taxpayer allowed to claim a tax credit
3 pursuant to this section shall claim the tax credit in a manner
4 required by the department. The credit shall be claimed within
5 one taxable year of the end of the year in which the public
6 regulation commission certifies the credit.

7 G. The credit provided by this section shall be
8 included in the tax expenditure budget pursuant to Section
9 7-1-84 NMSA 1978, including the total annual aggregate cost of
10 the credit.

11 H. As used in this section:

12 (1) "public utility" means "public utility"
13 pursuant to the Public Utility Act; and

14 (2) "rural electric cooperative" means a
15 corporation organized pursuant to the Rural Electric
16 Cooperative Act."

17 SECTION 2. APPLICABILITY.--The provisions of this act
18 apply to taxable years beginning on or after January 1, 2025.

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