

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HOUSE BILL 210

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

INTRODUCED BY
Anna M. Crook

FOR THE REVENUE STABILIZATION AND TAX POLICY COMMITTEE

AN ACT

RELATING TO TAXATION; CHANGING CERTAIN PROVISIONS OF THE
INCOME TAX ACT, THE CORPORATE INCOME AND FRANCHISE TAX ACT
AND THE UNIFORM DIVISION OF INCOME FOR TAX PURPOSES ACT.

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

Section 1. Section 7-2-12 NMSA 1978 (being Laws 1965,
Chapter 202, Section 10, as amended) is amended to read:

"7-2-12. TAXPAYER RETURNS--PAYMENT OF TAX.--Every
resident of this state and every individual deriving income
from any business transaction, property or employment within
this state and not exempt from tax under the Income Tax Act
who is required by the laws of the United States to file a
federal income tax return shall file a complete tax return
with the department in form and content as prescribed by the
secretary. Unless otherwise required under the Income Tax
Act or instruction of the secretary, in completing a return

.130643.2

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

underscoring material = new
[bracketed material] = delete

1 for a taxable year, the taxpayer shall declare the same
2 filing status and number of personal exemptions as the
3 taxpayer declared for federal income tax purposes for that
4 same taxable year or, if the taxpayer was not required to
5 file a federal income tax return for the taxable year, the
6 filing status and number of personal exemptions that would
7 have been required or allowed for that taxpayer by the
8 Internal Revenue Code and regulations pursuant to that code.

9 The return required and the tax imposed on individuals under
10 the Income Tax Act are due and payment is required on or
11 before the fifteenth day of the fourth month following the
12 end of the taxable year."

13 Section 2. Section 7-2-12.1 NMSA 1978 (being Laws 1990,
14 Chapter 23, Section 1) is amended to read:

15 "7-2-12.1. LIMITATION ON CLAIMING OF CREDITS AND TAX
16 REBATES.--

17 A. Except as provided otherwise in this section, a
18 credit or tax rebate provided in the Income Tax Act that is
19 claimed shall be disallowed if the claim for the credit or
20 tax rebate was first made after the end of the third calendar
21 year following the calendar year in which the return upon
22 which the credit or tax rebate was first claimable was
23 initially due.

24 B. Subsection A of this section does not apply to
25 [(1)] the credit authorized by Section 7-2-13 NMSA 1978 for
income taxes paid another state [or

~~(2) the credit authorized by Section 7-2-19~~

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

1 ~~NMSA 1978 for income taxes paid another state]."~~

2 Section 3. Section 7-2-12.2 NMSA 1978 (being Laws 1996,
3 Chapter 17, Section 1, as amended) is amended to read:

4 "7-2-12.2. ESTIMATED TAX DUE--PAYMENT OF ESTIMATED
5 TAX--PENALTY.--

6 A. Except as otherwise provided in this section,
7 every individual who is required to file an income tax return
8 under the Income Tax Act shall pay the required annual
9 payment in installments through either withholding or
10 estimated tax payments.

11 B. For the purposes of this section:

12 (1) "required annual payment" means the
13 lesser of:

14 (a) ninety percent of the tax shown on
15 the return of the taxable year or, if no return is filed,
16 ninety percent of the tax for the taxable year; or

17 (b) one hundred percent of the tax
18 shown on the return for the preceding taxable year if the
19 preceding taxable year was a taxable year of twelve months
20 and the taxpayer filed a New Mexico tax return for that
21 preceding taxable year; and

22 (2) "tax" means the tax imposed under
23 Section 7-2-3 NMSA 1978 less any amount allowed for credits
24 ~~[provided by Sections 7-2-13 and 7-2-18.1 through 7-2-18.4~~
25 ~~NMSA 1978 and for any applicable]~~ and tax rebates provided by
the Income Tax Act.

C. There shall be four required installments for

.130643.2

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

1 each taxable year. If a taxpayer is not liable for estimated
2 tax payments on March 31, but becomes liable for estimated
3 tax at some point after March 31, he must make estimated tax
4 payments as follows:

5 (1) if the taxpayer becomes required to pay
6 estimated tax after March 31 and before June 1, fifty percent
7 of the required annual payment must be paid on or before June
8 15, twenty-five percent on September 15 and twenty-five
9 percent on or before January 15 of the following taxable
10 year;

11 (2) if the taxpayer becomes required to pay
12 estimated tax after May 31, but before September 1, seventy-
13 five percent of the required annual payment must be paid on
14 or before September 15 and twenty-five percent on or before
15 January 15 of the following taxable year; and

16 (3) if the taxpayer becomes required to pay
17 estimated tax after August 31, one hundred percent of the
18 required annual payment must be paid on or before January 15
19 of the following taxable year.

20 D. Except as otherwise provided in this section,
21 for taxpayers reporting on a calendar year basis, estimated
22 payments of the required annual payment are due on or before
23 April 15, June 15 and September 15 of the taxable year and
24 January 15 of the following taxable year. For taxpayers
25 reporting on a fiscal year other than a calendar year, the
due dates for the installments are the fifteenth day of the
fourth, sixth and ninth months of the fiscal year and the

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

1 fifteenth day of the first month following the fiscal year.

2 E. A rancher or farmer who expects to receive at
3 least two-thirds of his gross income for the taxable year
4 from ranching or farming, or who has received at least two-
5 thirds of his gross income for the previous taxable year from
6 ranching or farming, may:

7 (1) pay the required annual payment for the
8 taxable year in one installment on or before January 15 of
9 the following taxable year; or

10 (2) on or before March 1 of the following
11 taxable year, file a return for the taxable year and pay in
12 full the amount computed on the return as payable.

13 No penalty under Subsection G of this section shall be
14 imposed unless the rancher or farmer underpays his tax by
15 more than one-third. If a joint return is filed, a rancher
16 or farmer must consider his or her spouse's gross income in
17 determining whether at least two-thirds of gross income is
18 from ranching or farming.

19 F. For the purposes of this section, the amount of
20 tax deducted and withheld with respect to a taxpayer under
21 the Withholding Tax Act shall be deemed a payment of
22 estimated tax. An equal part of the amount of withheld tax
23 shall be deemed paid on each due date for the applicable
24 taxable year unless the taxpayer establishes the dates on
25 which all amounts were actually withheld, in which case the
amounts withheld shall be deemed payments of estimated tax on
the dates on which the amounts were actually withheld. The

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

1 taxpayer may apply the provisions of this subsection
2 separately to wage withholding and any other amounts withheld
3 under the Withholding Tax Act.

4 G. Except as otherwise provided in this section,
5 in the case of any underpayment of the required annual
6 payment by a taxpayer, there shall be added to the tax an
7 amount as penalty determined by applying the rate specified
8 in Subsection B of Section 7-1-67 NMSA 1978 to the amount of
9 the underpayment for the period of the underpayment,
10 provided:

11 (1) the amount of the underpayment shall be
12 the excess of the amount of the required annual payment over
13 the amount, if any, paid on or before the due date for the
14 installment;

15 (2) the period of the underpayment runs from
16 the due date for the installment to whichever of the
17 following dates is earlier:

18 (a) the fifteenth day of the fourth
19 month following the close of the taxable year; or

20 (b) with respect to any portion of the
21 underpayment, the date on which the portion was paid; and

22 (3) a payment of estimated tax shall be
23 credited against unpaid or underpaid installments in the
24 order in which the installments are required to be paid.

25 H. No penalty shall be imposed under Subsection G
of this section for any taxable year if:

(1) the difference between the following is

.130643.2

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

1 less than five hundred dollars (\$500):

2 (a) the tax shown on the return for the
3 taxable year or, when no return is filed, the tax for the
4 taxable year; and

5 (b) any amount withheld under the
6 provisions of the Withholding Tax Act for that taxpayer for
7 that taxable year;

8 (2) the individual's preceding taxable year
9 was a taxable year of twelve months, the individual did not
10 have any tax liability for the preceding taxable year and the
11 individual was a resident of New Mexico for the entire
12 taxable year;

13 (3) through either withholding or estimated
14 tax payments, the individual paid the required annual payment
15 as defined in Subsection B of this section; or

16 (4) the secretary determines that the
17 underpayment was not due to fraud, negligence or disregard of
18 rules and regulations.

19 I. If, on or before January 31 of the following
20 taxable year, the taxpayer files a return for the taxable
21 year and pays in full the amount computed on the return as
22 payable, then no penalty under Subsection G of this section
23 shall be imposed with respect to any underpayment of the
24 fourth required installment for the taxable year.

25 J. This section shall be applied to taxable years
of less than twelve months and to taxpayers reporting on a
fiscal year other than a calendar year in the manner

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

1 determined by regulation or instruction of the secretary.
2 K. Except as otherwise provided in Subsection L of
3 this section, this section applies to any estate or trust.
4 L. This section does not apply to any trust that
5 is subject to the tax imposed by Section 511 of the Internal
6 Revenue Code or that is a private foundation. With respect
7 to any taxable year ending before the date two years after
8 the date of the decedent's death, this section does not apply
9 to:
10 (1) the estate of the decedent; or
11 (2) any trust all of which was treated under
12 Subpart E of Part I of Subchapter J of Chapter 1 of the
13 Internal Revenue Code as owned by the decedent and to which
14 the residue of the decedent's estate will pass under the
15 decedent's will or, if no will is admitted to probate, that
16 is the trust primarily responsible for paying debts, taxes
17 and expenses of administration.
18 M. The provisions of this section do not apply to
19 first-year residents."
20 Section 4. Section 7-2-14 NMSA 1978 (being Laws 1972,
21 Chapter 20, Section 2, as amended) is amended to read:
22 "7-2-14. LOW-INCOME COMPREHENSIVE TAX REBATE.--
23 A. Except as otherwise provided in Subsection B of
24 this section, any resident who files an individual New Mexico
25 income tax return and who is not a dependent of another
individual may claim a tax rebate for a portion of state and
local taxes to which the resident has been subject during the

1 taxable year for which the return is filed. The tax rebate
2 may be claimed even though the resident has no income taxable
3 under the Income Tax Act. A husband and wife who file
4 separate returns for a taxable year in which they could have
5 filed a joint return may each claim only one-half of the tax
6 rebate that would have been allowed on a joint return.

7 B. No claim for the tax rebate provided in this
8 section shall be filed by a resident who was an inmate of a
9 public institution for more than six months during the
10 taxable year for which the tax rebate could be claimed or who
11 was not physically present in New Mexico for at least six
12 months during the taxable year for which the tax rebate could
13 be claimed.

14 C. For the purposes of this section, the total
15 number of exemptions for which a tax rebate may be claimed or
16 allowed is determined by:

17 (1) adding the number of federal exemptions
18 allowable for federal income tax purposes for each individual
19 included in the return who is domiciled in New Mexico plus
20 two additional exemptions for each individual domiciled in
21 New Mexico included in the return who is sixty-five years of
22 age or older plus one additional exemption for each
23 individual domiciled in New Mexico included in the return
24 who, for federal income tax purposes, is blind plus one
25 exemption for each minor child or stepchild of the resident
who would be a dependent for federal income tax purposes if
the public assistance contributing to the support of the

1 child or stepchild was considered to have been contributed by
2 the resident; and

3 (2) subtracting from the number determined
4 in Paragraph (1) of this subsection the number of exemptions
5 for each individual included in the return who was an inmate
6 of a public institution for more than six months during the
7 taxable year, plus, if included in the calculation set forth
8 in Paragraph (1) of this subsection, two exemptions for each
9 such individual who was aged sixty-five years or older.

10 D. The tax rebate provided for in this section may
11 be claimed in the amount shown in the following table:

Modified gross		And the total number						
income is:		of exemptions is:						
	But Not						6 or	
Over	Over	1	2	3	4	5	More	
\$ 0	\$ 500	\$ 120	\$ 160	\$ 200	\$ 240	\$ 280	\$ 320	
500	1,000	135	195	250	310	350	415	
1,000	1,500	135	195	250	310	350	435	
1,500	2,000	135	195	250	310	350	450	
2,000	2,500	135	195	250	310	350	450	
2,500	3,000	135	195	250	310	350	450	
3,000	3,500	135	195	250	310	350	450	
3,500	4,000	135	195	250	310	355	450	
4,000	4,500	135	195	250	310	355	450	
4,500	5,000	125	190	240	305	355	450	
5,000	5,500	115	175	230	295	355	430	
5,500	6,000	105	155	210	260	315	410	

.130643.2

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

1	6,000	7,000	90	130	170	220	275	370
2	7,000	8,000	80	115	145	180	225	295
3	8,000	9,000	70	105	135	170	195	240
4	9,000	10,000	65	95	115	145	175	205
5	10,000	11,000	60	80	100	130	155	185
6	11,000	12,000	55	70	90	110	135	160
7	12,000	13,000	50	65	85	100	115	140
8	13,000	14,000	50	65	85	100	115	140
9	14,000	15,000	45	60	75	90	105	120
10	15,000	16,000	40	55	70	85	95	110
11	16,000	17,000	35	50	65	80	85	105
12	17,000	18,000	30	45	60	70	80	95
13	18,000	19,000	25	35	50	60	70	80
14	19,000	20,000	20	30	40	50	60	65
15	20,000	21,000	15	25	30	40	50	55
16	21,000	22,000	10	20	25	35	40	45.

17 E. If a taxpayer's modified gross income is zero,
18 the taxpayer may claim a credit in the amount shown in the
19 first row of the table appropriate for the taxpayer's number
20 of exemptions.

21 F. The tax rebates provided for in this section
22 may be deducted from the taxpayer's New Mexico income tax
23 liability for the taxable year. If the tax rebates exceed
24 the taxpayer's income tax liability, the excess shall be
25 refunded to the taxpayer.

G. For purposes of this section, "dependent" means
"dependent" as defined by Section 152 of the Internal Revenue

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

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

7 Section 5. Section 7-2A-2 NMSA 1978 (being Laws 1986,
8 Chapter 20, Section 33, as amended) is amended to read:

9 "7-2A-2. DEFINITIONS.--For the purpose of the
10 Corporate Income and Franchise Tax Act and unless the context
11 requires otherwise:

12 A. "affiliated group" means that term as it is
13 used in the Internal Revenue Code;

14 B. "bank" means any national bank, national
15 banking association, state bank or bank holding company;

16 C. "base income" means that part of the taxpayer's
17 income defined as taxable income and upon which the federal
18 income tax is calculated in the Internal Revenue Code for
19 income tax purposes plus, for taxable years beginning on or
20 after January 1, 1991, the amount of the net operating loss
21 deduction allowed by Section 172(a) of the Internal Revenue
22 Code, as that section may be amended or renumbered, and
23 claimed by the taxpayer for that year; "base income" also
24 includes interest received on a state or local bond;

25 D. "corporation" means corporations, joint stock
companies, real estate trusts organized and operated under
the Real Estate Trust Act, financial corporations and banks,

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

1 other business associations and, for corporate income tax
2 purposes, partnerships and limited liability companies taxed
3 as corporations under the Internal Revenue Code;

4 E. "department" means the taxation and revenue
5 department, the secretary of taxation and revenue or any
6 employee of the department exercising authority lawfully
7 delegated to that employee by the secretary;

8 F. "fiscal year" means any accounting period of
9 twelve months ending on the last day of any month other than
10 December;

11 G. "Internal Revenue Code" means the United States
12 Internal Revenue Code of 1986, as amended;

13 H. "net income" means base income adjusted to
14 exclude:

15 (1) income from obligations of the United
16 States less expenses incurred to earn that income;

17 (2) other amounts that the state is
18 prohibited from taxing because of the laws or constitution of
19 this state or the United States;

20 (3) for taxable years that began prior to
21 January 1, 1991, an amount equal to the sum of:

22 (a) net operating loss carryback
23 deductions to that year from taxable years beginning prior to
24 January 1, 1991 claimed and allowed, as provided by the
25 Internal Revenue Code; and

(b) net operating loss carryover
deductions to that year claimed and allowed; ~~and~~

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

1 (4) for taxable years beginning on or after
2 January 1, 1991, an amount equal to the sum of any net
3 operating loss carryover deductions to that year claimed and
4 allowed, provided that the amount of any net operating loss
5 carryover from a taxable year beginning on or after January
6 1, 1991 may be excluded only as follows:

7 (a) in the case of a timely filed
8 return, in the taxable year immediately following the taxable
9 year for which the return is filed; or

10 (b) in the case of amended returns or
11 original returns not timely filed, in the first taxable year
12 beginning after the date on which the return or amended
13 return establishing the net operating loss is filed; and

14 (c) in either case, if the net
15 operating loss carryover exceeds the amount of net income
16 exclusive of the net operating loss carryover for the taxable
17 year to which the exclusion first applies, in the next four
18 succeeding taxable years in turn until the net operating loss
19 carryover is exhausted; in no event may a net operating loss
20 carryover be excluded in any taxable year after the fourth
21 taxable year beginning after the taxable year to which the
22 exclusion first applies; and

23 (5) amounts treated as dividends received
24 from a foreign corporation under 26 U.S.C. 78;
25

I. "net operating loss" means any net operating
loss, as defined by Section 172(c) of the Internal Revenue
Code, as that section may be amended or renumbered, for a

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

1 taxable year as further increased by the income, if any, from
2 obligations of the United States for that year less related
3 expenses;

4 J. "net operating loss carryover" means the
5 amount, or any portion of the amount, of a net operating loss
6 for any taxable year that, pursuant to Paragraph (3) or (4)
7 of Subsection H of this section, may be excluded from base
8 income;

9 K. "person" means any individual, estate, trust,
10 receiver, cooperative association, club, corporation,
11 company, firm, partnership, limited liability company, joint
12 venture, syndicate or other association; "person" also means,
13 to the extent permitted by law, any federal, state or other
14 governmental unit or subdivision or agency, department or
15 instrumentality thereof;

16 L. "secretary" means the secretary of taxation and
17 revenue or the secretary's delegate;

18 M. "state" means any state of the United States,
19 the District of Columbia, the commonwealth of Puerto Rico,
20 any territory or possession of the United States or political
21 subdivision thereof or any political subdivision of a foreign
22 country;

23 N. "state or local bond" means a bond issued by a
24 state other than New Mexico or by a local government other
25 than one of New Mexico's political subdivisions, the interest
from which is excluded from income for federal income tax
purposes under Section 103 of the Internal Revenue Code, as

.130643.2

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

1 that section may be amended or renumbered;

2 O. "taxable year" means the calendar year or
3 fiscal year upon the basis of which the net income is
4 computed under the Corporate Income and Franchise Tax Act and
5 includes, in the case of the return made for a fractional
6 part of a year under the provisions of that act, the period
7 for which the return is made;

8 P. "taxpayer" means any corporation subject to the
9 taxes imposed by the Corporate Income and Franchise Tax Act;
10 and

11 Q. "unitary corporations" means two or more
12 integrated corporations, other than any foreign corporation
13 incorporated in a foreign country and not engaged in trade or
14 business in the United States during the taxable year, that
15 are owned in the amount of more than fifty percent and
16 controlled by the same person and for which at least one of
17 the following conditions exists:

18 (1) there is a unity of operations
19 evidenced by central purchasing, advertising, accounting or
20 other centralized services;

21 (2) there is a centralized management or
22 executive force and centralized system of operation; or

23 (3) the operations of the corporations are
24 dependent upon or contribute property or services to one
25 another individually or as a group."

Section 6. Section 7-2A-9.1 NMSA 1978 (being Laws
1986, Chapter 5, Section 1, as amended) is amended to read:

.130643.2

underscored material = new
[bracketed material] = delete

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

"7-2A-9.1. ESTIMATED TAX DUE--PAYMENT OF ESTIMATED
TAX--PENALTY--EXEMPTION.--

A. Every taxpayer shall pay estimated corporate
income tax to the state of New Mexico during its taxable year
if its tax after applicable credits for such taxable year can
reasonably be expected to be five thousand dollars (\$5,000)
or more. A taxpayer to which this section applies shall
calculate estimated tax by one of the following methods:

(1) estimating the amount of tax due, net
of any credits, for the current taxable year, provided that
the estimated amount is at least eighty percent of the amount
~~[determined to be due]~~ shown on the tax return for the
taxable year or, if no return is filed, eighty percent of the
tax for the taxable year;

(2) using as the estimate an amount equal
to one hundred percent of the tax ~~[due]~~ shown on the tax
return for the previous taxable year, if the previous taxable
year was a full twelve-month year and if the amount shown as
due for that previous taxable year was at least five thousand
dollars (\$5,000); or

(3) using as the estimate an amount equal
to one hundred ten percent of the tax ~~[due]~~ shown on the tax
return for the taxable year immediately preceding the
previous taxable year, if the taxable year immediately
preceding the previous taxable year was a full twelve-month
year, the amount shown as due for the taxable year
immediately preceding the previous taxable year was at least

.130643.2

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

1 five thousand dollars (\$5,000) and the return for the
2 previous taxable year has not been filed and the extended due
3 date for filing that return has not occurred at the time the
4 first installment is due for the taxable year.

5 B. If Subsection A of this section applies, the
6 amount of estimated tax shall be paid in installments as
7 follows: twenty-five percent of the estimated tax is due on
8 or before the fifteenth day of the fourth month of the
9 taxable year, another twenty-five percent is due on or before
10 the fifteenth day of the sixth month of the taxable year,
11 another twenty-five percent is due on or before the fifteenth
12 day of the ninth month of the taxable year and the final
13 twenty-five percent is due on or before the fifteenth day of
14 the twelfth month of the taxable year. Application of this
15 subsection to a taxable year that is a fractional part of a
16 year shall be determined by regulation of the secretary.

17 C. Every taxpayer to which Subsection A of this
18 section applies that fails to pay the estimated tax when due
19 or that makes estimated tax payments during the taxable year
20 that are less than the lesser of eighty percent of the income
21 tax imposed on the taxpayer under the Corporate Income and
22 Franchise Tax Act or the amount required by Paragraph (2) or
23 (3) of Subsection A of this section shall be subject to the
24 interest and penalty provisions of Sections 7-1-67 and 7-1-69
25 NMSA 1978 on the underpayment.

D. For purposes of this section, the amount of
underpayment shall be the excess of the amount of the

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

1 installment that would be required to be paid if the
2 estimated tax were equal to eighty percent of the tax shown
3 on the return for the taxable year or the amount required by
4 Paragraph (2) or (3) of Subsection A of this section or, if
5 no return was filed, eighty percent of the tax for the
6 taxable year for which the estimated tax is due less the
7 amount, if any, of the installment paid on or before the last
8 date prescribed for payment.

9 E. For purposes of this section, the period of
10 underpayment shall run from the date the installment was
11 required to be paid to whichever of the following dates is
12 earlier:

13 (1) the fifteenth day of the third month
14 following the end of the taxable year; or

15 (2) with respect to any portion of the
16 underpayment, the date on which such portion is paid. For
17 the purposes of this paragraph, a payment of estimated tax on
18 any installment date shall be applied as a payment of any
19 previous underpayment only to the extent such payment exceeds
20 the amount of the installment determined under Subsection D
21 of this section due on such installment date."

22 Section 7. A new section of the Uniform Division of
23 Income for Tax Purposes Act, Section 7-4-22 NMSA 1978, is
24 enacted to read:

25 "7-4-22. [NEW MATERIAL] CONFLICT WITH PROVISIONS OF
MULTISTATE TAX COMPACT.--When any provision of the Uniform
Division of Income for Tax Purposes Act conflicts with a

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

1 provision of the Multistate Tax Compact, the provision of the
2 Uniform Division of Income for Tax Purposes Act controls."

3 Section 8. APPLICABILITY.--The provisions of this act
4 apply to taxable years beginning on or after January 1, 2000.

5 - 20 -

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25