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SENATE BILL 365

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

INTRODUCED BY

Manny M Arragon

AN ACT

RELATING TO TAXATION; AMENDING A SECTION OF THE INCOME TAX ACT
TO CHANGE AND EXPAND THE LOW-INCOME COMPREHENSIVE TAX REBATE.

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

Section 1. Section 7-2-14 NMSA 1978 (being Laws 1972,
Chapter 20, Section 2, as amended) is amended to read:

"7-2-14. LOW-INCOME COMPREHENSIVE TAX REBATE. --

A. Except as otherwise provided in Subsection B of
this section, any resident who files an individual New Mexico
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
taxable year for which the return is filed. The tax rebate
may be claimed even though the resident has no income taxable
under the Income Tax Act. A husband and wife who file

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1 separate returns for a taxable year in which they could have
2 filed a joint return may each claim only one-half of the tax
3 rebate that would have been allowed on a joint return.

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

11 C. For the purposes of this section, the total
12 number of exemptions for which a tax rebate may be claimed or
13 allowed is determined by adding the number of ~~[federal~~
14 ~~exemptions allowable for federal income tax purposes for each~~
15 ~~individual included in the return who is domiciled in New~~
16 ~~Mexico plus two additional exemptions for each individual~~
17 ~~domiciled in New Mexico included in the return who is sixty-~~
18 ~~five years of age or older plus one additional exemption for~~
19 ~~each individual domiciled in New Mexico included in the return~~
20 ~~who, for federal income tax purposes, is blind plus one~~
21 ~~exemption for each minor child or stepchild of the resident]~~
22 exemptions for which the resident is eligible. Each resident
23 filing as a single individual or head of household may claim
24 one exemption per household plus one exemption for each member
25 of the resident's household for whom the resident may claim

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one or more exemptions for federal income tax purposes and who
is sixty-five years of age or older, blind or a minor child or
stepchild of the resident. Residents filing jointly as
married individuals or as surviving spouses may claim one
exemption per household plus one exemption for each member of
the residents' household for whom the residents may claim one
or more exemptions for federal income tax purposes and who is
sixty-five years of age or older, blind or a minor child or
stepchild of the resident. The resident may also claim an
exemption for a minor child or stepchild who would be a
 dependent for federal income tax purposes if the public
 assistance contributing to the support of the child or
 stepchild was considered to have been contributed by the
 resident.

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

Modified gross income is:	And the total number of exemptions is:	
	But Not Over	Over
	1	2
	3	4
	5	6 or More
[\$ 0	\$ 500	\$ 120
\$ 500	1,000	\$ 160
1,000	1,500	\$ 200
1,500	2,000	\$ 240
2,000	2,500	\$ 280
		\$ 320
		135
		195
		250
		310
		350
		415
		435
		450
		450

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1	2,500	3,000	135	195	250	310	350	450
2	3,000	3,500	135	195	250	310	350	450
3	3,500	4,000	135	195	250	310	355	450
4	4,000	4,500	135	195	250	310	355	450
5	4,500	5,000	125	190	240	305	355	450
6	5,000	5,500	115	175	230	295	355	430
7	5,500	6,000	105	155	210	260	315	410
8	6,000	7,000	90	130	170	220	275	370
9	7,000	8,000	80	115	145	180	225	295
10	8,000	9,000	70	105	135	170	195	240
11	9,000	10,000	65	95	115	145	175	205
12	10,000	11,000	60	80	100	130	155	185
13	11,000	12,000	55	70	90	110	135	160
14	12,000	13,000	50	65	85	100	115	140
15	13,000	14,000	50	65	85	100	115	140
16	14,000	15,000	45	60	75	90	105	120
17	15,000	16,000	40	55	70	85	95	110
18	16,000	17,000	35	50	65	80	85	105
19	17,000	18,000	30	45	60	70	80	95
20	18,000	19,000	25	35	50	60	70	80
21	19,000	20,000	20	30	40	50	60	65
22	20,000	21,000	15	25	30	40	50	55
23	21,000	22,000	10	20	25	35	40	45]
24	<u>\$ 0</u>	<u>\$2,000</u>	<u>\$ 100</u>	<u>\$ 300</u>	<u>\$ 450</u>	<u>\$ 600</u>	<u>\$750</u>	<u>\$ 900</u>
25	<u>2,000</u>	<u>4,000</u>	<u>110</u>	<u>330</u>	<u>495</u>	<u>660</u>	<u>825</u>	<u>990</u>

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1	<u>4, 000</u>	<u>6, 000</u>	<u>110</u>	<u>330</u>	<u>495</u>	<u>660</u>	<u>825</u>	<u>990</u>
2	<u>6, 000</u>	<u>8, 000</u>	<u>120</u>	<u>360</u>	<u>540</u>	<u>720</u>	<u>900</u>	<u>1, 080</u>
3	<u>8, 000</u>	<u>10, 000</u>	<u>110</u>	<u>330</u>	<u>495</u>	<u>660</u>	<u>825</u>	<u>990</u>
4	<u>10, 000</u>	<u>12, 000</u>	<u>100</u>	<u>300</u>	<u>450</u>	<u>600</u>	<u>750</u>	<u>900</u>
5	<u>12, 000</u>	<u>14, 000</u>	<u>90</u>	<u>270</u>	<u>405</u>	<u>540</u>	<u>675</u>	<u>810</u>
6	<u>14, 000</u>	<u>16, 000</u>	<u>60</u>	<u>180</u>	<u>270</u>	<u>360</u>	<u>450</u>	<u>540</u>
7	<u>16, 000</u>	<u>18, 000</u>	<u>30</u>	<u>90</u>	<u>135</u>	<u>180</u>	<u>225</u>	<u>270</u>
8	<u>18, 000</u>	<u>20, 000</u>	<u>20</u>	<u>60</u>	<u>90</u>	<u>120</u>	<u>150</u>	<u>180</u>
9	<u>20, 000</u>	<u>22, 000</u>	<u>10</u>	<u>30</u>	<u>45</u>	<u>60</u>	<u>75</u>	<u>90.</u>

10 E. If a taxpayer's modified gross income is zero,
11 the taxpayer may claim a credit in the amount shown in the
12 first row of the table appropriate for the taxpayer's number
13 of exemptions.

14 F. The tax rebates provided for in this section
15 may be deducted from the taxpayer's New Mexico income tax
16 liability for the taxable year. If the tax rebates exceed the
17 taxpayer's income tax liability, the excess shall be refunded
18 to the taxpayer.

19 G. For purposes of this section, "dependent" means
20 "dependent" as defined by Section 152 of the Internal Revenue
21 Code of 1986, as that section may be amended or renumbered,
22 but also includes any minor child or stepchild of the resident
23 who would be a dependent for federal income tax purposes if
24 the public assistance contributing to the support of the child
25 or stepchild was considered to have been contributed by the

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resident. "

Section 2. APPLICABILITY. -- The provisions of this act
apply to taxable years beginning on or after January 1, 2001.

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