

HOUSE TAXATION AND REVENUE COMMITTEE SUBSTITUTE FOR
HOUSE BILL 547

46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004

AN ACT

RELATING TO TAXATION; PROVIDING AN INCOME TAX CREDIT FOR
CERTAIN PAYMENTS MADE TO LICENSED NURSING HOMES, LICENSED
INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED OR
LICENSED RESIDENTIAL TREATMENT CENTERS.

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] INCOME TAX--CREDIT FOR PAYMENTS MADE TO
NURSING HOMES, INTERMEDIATE CARE FACILITIES FOR THE MENTALLY
RETARDED OR RESIDENTIAL TREATMENT CENTERS.--

A. A taxpayer who files an individual New Mexico
income tax return and who is not a dependent of another
taxpayer may claim a credit for expenses that the taxpayer paid
in the taxable year for services rendered by a licensed nursing

.151054.2

underscored material = new
[bracketed material] = delete

1 home, licensed intermediate care facility for the mentally
2 retarded or licensed residential treatment center and that were
3 not reimbursed by an insurer. The credit shall not exceed ten
4 dollars (\$10.00) for each day that expenses for services from
5 the licensed nursing home, licensed intermediate care facility
6 for the mentally retarded or licensed residential treatment
7 center accrued.

8 B. A husband and wife who file separate returns for
9 a taxable year in which they could have filed a joint return
10 may each claim only one-half of the credit that would have been
11 allowed on a joint return.

12 C. The credit provided in this section may be
13 deducted from the taxpayer's income tax liability. If the
14 credit exceeds the income tax liability for the taxable year,
15 the excess shall be refunded to the taxpayer."

16 Section 2. APPLICABILITY.--The provisions of this act
17 apply to taxable years beginning on or after January 1, 2004
18 and do not apply to taxable years beginning on or after January
19 1, 2008; provided, however, that the credit provided for in
20 Section 1 of this act may not be claimed for expenses incurred
21 by the taxpayer prior to July 1, 2004 or after June 30, 2007.

22 Section 3. DELAYED REPEAL.--Section 1 of this act is
23 repealed effective July 1, 2008.