1	SENATE BILL 512
2	46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004
3	INTRODUCED BY
4	Raymond L. Kysar
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10	AN ACT
11	RELATING TO TAXATION; PROVIDING FOR AN INCOME TAX CREDIT FOR
12	CASH CONTRIBUTIONS TO A PUBLIC SCHOOL DISTRICT FOR
13	EXTRACURRICULAR ACTIVITIES.
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15	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:
16	Section 1. A new section of the Income Tax Act is enacted
17	to read:
18	"[ <u>NEW MATERIAL</u> ] PUBLIC SCHOOL CONTRIBUTION TAX CREDIT
19	A. A taxpayer that is not a dependent of another
20	individual may claim a credit for the amount of cash
21	contributions made by the taxpayer during the taxable year to a
22	public school district located in this state for the support of
23	extracurricular activity programs. The tax credit shall not
24	exceed:
25	(1) two hundred dollars (\$200) for a single
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1 individual or a head of household;

2 (2) two hundred fifty dollars (\$250) for a
3 married couple filing a joint return; or

4 (3) for a married couple filing separate
5 returns for a taxable year in which they could have filed a
6 joint return, each may claim one-half the tax credit that would
7 have been allowed for a joint return.

B. The credit provided in this section may only be deducted from the taxpayer's income tax liability. Any portion of the tax credit that remains unused may be carried forward for up to four consecutive years.

C. The credit allowed by this section is in lieu of a deduction pursuant to Section 170 of the Internal Revenue Code.

D. A public school district that receives a cash contribution pursuant to Subsection A of this section shall report to the department, in a form prescribed by the department, by January 31 of each year the following information:

(1) the name of each taxpayer that made a contribution and the total amount of that taxpayer's contributions during the previous calendar year; and

(2) the total amount of cash contributions received by the school district during the previous calendar year.

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Ε. A public school district shall provide the taxpayer with a written acknowledgment of the cash contribution made and shall use the contribution to support extracurricular school activities.

The department may require a taxpayer claiming F. the tax credit to submit a copy of the written acknowledgment 7 received from the school district with the taxpayer's claim for 8 credit.

G. As used in this section, "extracurricular school activity" means a competitive sport or other activity that supports academic, social, leadership or other skills and that provides opportunities for youth, including academic decathlon, cheerleading, drill team, chess, journalism, mock trial, music, art, drama, science fair, speech, student council, homework club or other activity approved by the public education department."

Section 2. APPLICABILITY.--The provisions of this act apply to taxable years beginning on or after January 1, 2004.

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