

FORTY-SEVENTH LEGISLATURE
SECOND SESSION

February 15, 2006

SENATE FLOOR AMENDMENT number 2 to HOUSE TAXATION AND REVENUE
COMMITTEE SUBSTITUTE FOR
HOUSE BILLS 82, 128, 144,
295, 380, 390, 395, 424,
440, 441, 448, 455, 465,
501, 603 AND 674, as
amended

Amendment sponsored by Senator Timothy Z. Jennings

1. Strike Senate Finance Committee Amendments 37, 57 and 58.
2. On page 2, line 5, after the semicolon insert "PROVIDING FOR INCOME TAX AND CORPORATE INCOME TAX CREDITS FOR LIVESTOCK KILLED BY PREDATORY ANIMALS;".
3. On page 31, between lines 20 and 21, insert the following new sections:

"Section 15. A new section of the Income Tax Act is enacted to read:

"[NEW MATERIAL] CREDIT FOR LOSS OF LIVESTOCK.--

A. A taxpayer who files an individual New Mexico income tax return and who is not a dependent of another taxpayer may claim a tax credit in an amount equal to the fair market value of the livestock killed for livestock killed by predatory wild animals if the taxpayer is engaged in the commercial production of livestock during the tax year for which the credit is claimed.

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

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joint return.

C. The tax credit provided in this section may only be deducted from the taxpayer's personal income tax liability. Any portion of the tax credit provided in this section that remains unused at the end of the taxpayer's taxable year may be carried forward for three consecutive taxable years.

D. As used in this section:

(1) "livestock" means cattle, buffalo, horses, mules, sheep, goats, swine, ratites and other domestic animals useful to man; and

(2) "predatory wild animal" means a bear, cougar, coyote or wolf.

E. The taxpayer shall provide documentation to the department to prove eligibility for the tax credit provided in this section."

Section 16. A new section of the Corporate Income and Franchise Tax Act is enacted to read:

"[NEW MATERIAL] CREDIT FOR LOSS OF LIVESTOCK.--

A. A taxpayer that files a New Mexico corporate income tax return may take a tax credit in an amount equal to the fair market value of the livestock killed for livestock killed by predatory wild animals if the taxpayer is engaged in the commercial production of livestock during the tax year for which the credit is claimed.

B. The tax credit provided in this section may only be deducted from the taxpayer's corporate income tax liability. Any portion of the tax credit provided in this section that remains

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unused at the end of the taxpayer's taxable year may be carried forward for three consecutive taxable years.

C. As used in this section:

(1) "livestock" means cattle, buffalo, horses, mules, sheep, goats, swine, ratites and other domestic animals useful to man; and

(2) "predatory wild animal" means a bear, cougar, coyote or wolf.

D. The taxpayer shall provide documentation to the department to prove eligibility for the tax credit provided in this section."".

4. Renumber the succeeding sections accordingly.

5. On page 39, lines 16 and 17, strike "15 through 22" and insert in lieu thereof "21 through 28".

6. On page 83, line 7, strike "12 and 13" and insert in lieu thereof "14 and 17".

7. On page 83, between lines 8 and 9, insert the following new subsections:

"B. Sections 21 through 28 and 36 of this act are repealed effective January 1, 2015.

C. Sections 7-9-98 and 7-9E-1 through 7-9E-9 NMSA 1978 (being Laws 2005, Chapter 179, Section 1 and Laws 2000 (2nd S.S.), Chapter 20, Sections 1 through 9) are repealed effective January 1, 2015.".

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8. On page 83, strike lines 11 through 24 and insert in lieu thereof the following sections:

"Section 54. APPLICABILITY.--

A. The provisions of Sections 9 through 12, 14 through 19 and 21 through 28 of this act apply to taxable years beginning on or after January 1, 2006.

B. The provisions of Section 38 of this act apply to reporting periods beginning on or after July 1, 2006.

C. The provisions of Sections 13 and 20 of this act apply to taxable years beginning on or after January 1, 2008.

Section 55. EFFECTIVE DATE.--

A. The effective date of the provisions of Sections 1, 5, 8, 29 through 33, 35, 36, 39 through 51 and 53 of this act is July 1, 2008.

B. The effective date of the provisions of Section 37 of this act is January 1, 2007.

C. The effective date of the provisions of Sections 2 through 4 and 34 of this act is July 1, 2007."

Timothy Z. Jennings

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Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____