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SENATE BILL 542

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY

Dede Feldman

AN ACT

RELATING TO TAXATION; PROVIDING TAX RELIEF FOR THE PURCHASE OF CERTAIN ENERGY-EFFICIENT APPLIANCES AND EQUIPMENT.

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]~~ CREDIT FOR ENERGY-EFFICIENT HEATING, VENTILATING AND COOLING EQUIPMENT.--

A. A taxpayer who files an individual income tax return and who is not a dependent of another taxpayer is eligible for a tax credit for energy-efficient heating, ventilating and cooling equipment installed in the taxpayer's residence in the taxable year in which the credit is claimed in the following amounts for the following equipment:

- (1) twenty-five dollars (\$25.00) for an

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1 advanced main air circulation fan that has a total annual
2 electricity use of no more than two percent of the total energy
3 use of the furnace to which it is attached;

4 (2) seventy-five dollars (\$75.00) for a
5 furnace or hot water boiler that has an annual fuel utilization
6 efficiency of at least ninety-five percent;

7 (3) one hundred fifty dollars (\$150) for an
8 electric heat pump water heater that has an energy factor of at
9 least two;

10 (4) one hundred fifty dollars (\$150) for an
11 electric heat pump that has a heating seasonal performance
12 factor of at least nine, a seasonal energy-efficiency ratio of
13 at least fifteen and an energy-efficiency ratio of at least
14 thirteen;

15 (5) one hundred fifty dollars (\$150) for a
16 geothermal heat pump that:

17 (a) in the case of a closed loop
18 product, has an energy-efficiency ratio of at least fourteen
19 and one-tenth and a heating coefficient of performance of at
20 least three and three-tenths;

21 (b) in the case of an open loop product,
22 has an energy-efficiency ratio of at least sixteen and two-
23 tenths and a heating coefficient of performance of at least
24 three and six-tenths; and

25 (c) in the case of a direct expansion

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1 product, has an energy-efficiency ratio of at least fifteen and
2 a heating coefficient of performance of at least three and
3 five-tenths;

4 (6) one hundred fifty dollars (\$150) for a
5 central air conditioner that has a seasonal energy-efficiency
6 ratio of at least fifteen and an energy-efficiency ratio of at
7 least thirteen;

8 (7) one hundred fifty dollars (\$150) for a
9 water heater that has an energy factor of at least eight-
10 tenths; and

11 (8) three hundred dollars (\$300) for an
12 energy- and water-efficient advanced evaporative cooling system
13 with a minimum effectiveness of ninety percent.

14 B. The total aggregate amount of tax credits
15 pursuant to this section that a taxpayer may claim in any
16 taxable year shall not exceed three hundred dollars (\$300).

17 C. The tax credit provided by this section may only
18 be deducted from the taxpayer's income tax liability for the
19 taxable year in which the credit is claimed.

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

24 E. The energy, minerals and natural resources
25 department shall verify equipment that meets the requirements

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1 for the tax credit provided by this section and develop
2 procedures to provide this information to taxpayers. The
3 energy, minerals and natural resources department may issue
4 rules for administering the provisions of this subsection."

5 Section 2. A new section of the Gross Receipts and
6 Compensating Tax Act is enacted to read:

7 "[NEW MATERIAL] DEDUCTION--GROSS RECEIPTS TAX--ENERGY
8 STAR-QUALIFIED APPLIANCES--LIMITED PERIOD.--Until December 31,
9 2013, receipts from the sale of clothes washers, dishwashers,
10 refrigerators, freezers and water heaters that have been
11 designated as ENERGY STAR-qualified appliances by the United
12 States environmental protection agency and the United States
13 department of energy may be deducted from gross receipts, if
14 the sale occurs during the period beginning at 12:01 a.m. on
15 the first day of November and ending at midnight on the last
16 day of November."

17 Section 3. APPLICABILITY.--The provisions of Section 1 of
18 this act apply to taxable years beginning on or after January
19 1, 2007 but before January 1, 2014.

20 Section 4. EFFECTIVE DATE.--The effective date of the
21 provisions of Section 2 of this act is July 1, 2007.

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