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HOUSE BILL 21

52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

INTRODUCED BY

Patricia Roybal Caballero

AN ACT

RELATING TO TAXATION; CREATING A PHASED-IN SUPPLEMENTAL TAX FOR
HIGHER LEVELS OF INDIVIDUAL TAXABLE INCOME.

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]~~ INDIVIDUAL INCOME TAX SUPPLEMENTAL TAX--
RATES.--The tax imposed by Section 7-2-3 NMSA 1978 is increased
beginning in taxable year 2016 by a supplemental tax that may
be cited as the "income tax supplemental tax". The income tax
supplemental tax shall be at the following rates:

A. for taxable years beginning on or after January
1, 2016 and prior to January 1, 2017:

(1) for married individuals filing separate
returns, three-tenths percent of taxable income in excess of

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1 one hundred thousand dollars (\$100,000);

2 (2) for heads of households, surviving spouses
3 and married individuals filing joint returns, three-tenths
4 percent of taxable income in excess of one hundred fifty
5 thousand dollars (\$150,000); and

6 (3) for single individuals and for estates and
7 trusts, three-tenths percent of taxable income in excess of one
8 hundred thousand dollars (\$100,000);

9 B. for taxable years beginning on or after January
10 1, 2017 and prior to January 1, 2018:

11 (1) for married individuals filing separate
12 returns, five-tenths percent of taxable income in excess of one
13 hundred thousand dollars (\$100,000);

14 (2) for heads of households, surviving spouses
15 and married individuals filing joint returns, five-tenths
16 percent of taxable income in excess of one hundred fifty
17 thousand dollars (\$150,000); and

18 (3) for single individuals and for estates and
19 trusts, five-tenths percent of taxable income in excess of one
20 hundred thousand dollars (\$100,000);

21 C. for taxable years beginning on or after January
22 1, 2018 and prior to January 1, 2019:

23 (1) for married individuals filing separate
24 returns, eight-tenths percent of taxable income in excess of
25 one hundred thousand dollars (\$100,000);

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1 (2) for heads of households, surviving spouses
2 and married individuals filing joint returns, eight-tenths
3 percent of taxable income in excess of one hundred fifty
4 thousand dollars (\$150,000); and

5 (3) for single individuals and for estates and
6 trusts, eight-tenths percent of taxable income in excess of one
7 hundred thousand dollars (\$100,000); and

8 D. for taxable years beginning on or after January
9 1, 2019:

10 (1) for married individuals filing separate
11 returns, one percent of taxable income in excess of one hundred
12 thousand dollars (\$100,000);

13 (2) for heads of households, surviving spouses
14 and married individuals filing joint returns, one percent of
15 taxable income in excess of one hundred fifty thousand dollars
16 (\$150,000); and

17 (3) for single individuals and for estates and
18 trusts, one percent of taxable income in excess of one hundred
19 thousand dollars (\$100,000)."