

1 HOUSE BILL 229

2 **52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015**

3 INTRODUCED BY

4 Carl Trujillo

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10 AN ACT

11 RELATING TO TAXATION; CREATING A DEDUCTION FROM INCOME TAX FOR
12 COMBAT VETERANS.

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14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

15 SECTION 1. A new section of the Income Tax Act is enacted
16 to read:

17 "~~[NEW MATERIAL]~~ DEDUCTION--INCOME OF COMBAT VETERANS.--

18 A. A taxpayer who is not a dependent of another
19 individual and is a combat veteran may deduct one hundred
20 percent of the combat veteran's income from net income.

21 B. A taxpayer allowed a deduction pursuant to this
22 section shall report the amount of the deduction separately in
23 a manner required by the department.

24 C. The department shall compile an annual report on
25 the deduction provided by this section that shall include the

.198783.1

underscored material = new
[bracketed material] = delete

underscoring material = new
~~[bracketed material] = delete~~

1 number of taxpayers that claimed the deduction, the aggregate
2 amount of deductions claimed and any other information
3 necessary to evaluate the effectiveness of the deduction.
4 Beginning in 2017, the department shall compile and present the
5 annual reports to the revenue stabilization and tax policy
6 committee and the legislative finance committee with an
7 analysis of the cost and benefit to the state of the deduction.

8 D. For purposes of this section, "combat veteran"
9 means a veteran who has served on active duty in a theater of
10 combat operations under orders of the president of the United
11 States and has been discharged under other than dishonorable
12 conditions."

13 SECTION 2. APPLICABILITY.--The provisions of this act
14 apply to taxable years beginning on or after January 1, 2015.