

HOUSE FLOOR SUBSTITUTE FOR  
HOUSE BILL 2

55TH LEGISLATURE - STATE OF NEW MEXICO - THIRD SPECIAL SESSION, 2022

AN ACT

RELATING TO HOUSEHOLD RELIEF; CREATING SUPPLEMENTAL 2021 INCOME  
TAX REBATES; AUTHORIZING A TRANSFER FROM THE TAX STABILIZATION  
RESERVE IF REVENUES AND TRANSFERS ARE NOT SUFFICIENT TO MEET  
APPROPRIATIONS DUE TO THE COST OF THE REBATES; MAKING  
APPROPRIATIONS; DECLARING AN EMERGENCY.

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] SUPPLEMENTAL 2021 INCOME TAX REBATES.--

A. A resident who files an individual New Mexico  
income tax return for taxable year 2021 by May 31, 2023 and who  
is not a dependent of another individual is eligible for two  
tax rebates pursuant to this section.

B. For a resident who files an income tax return by

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1 May 31, 2022:

2 (1) the first tax rebate shall be made as soon  
3 as possible, but no later than June 30, 2022, in the following  
4 amounts:

5 (a) five hundred dollars (\$500) for  
6 heads of household, surviving spouses and married individuals  
7 filing joint returns; and

8 (b) two hundred fifty dollars (\$250) for  
9 single individuals and married individuals filing separate  
10 returns; and

11 (2) the second tax rebate shall be made  
12 between August 1 and August 30, 2022 in the following amounts:

13 (a) five hundred dollars (\$500) for  
14 heads of household, surviving spouses and married individuals  
15 filing joint returns; and

16 (b) two hundred fifty dollars (\$250) for  
17 single individuals and married individuals filing separate  
18 returns.

19 C. For a resident who files an income tax return  
20 for taxable year 2021 after May 31, 2022, rebates shall be made  
21 in the amounts and as provided in Subsection B of this section  
22 as soon as possible after the return is received; provided that  
23 a rebate shall not be allowed for a return filed after May 31,  
24 2023.

25 D. The rebates provided by this section may be

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1 deducted from the taxpayer's New Mexico income tax liability  
2 for taxable year 2021. If the amount of rebate exceeds the  
3 taxpayer's income tax liability, the excess shall be refunded  
4 to the taxpayer.

5 E. The department may require a taxpayer to claim a  
6 rebate provided by this section on forms and in a manner  
7 required by the department."

8 SECTION 2. TEMPORARY PROVISION--TRANSFER FROM TAX  
9 STABILIZATION RESERVE.--If revenues and transfers to the  
10 general fund are not sufficient to meet appropriations at the  
11 end of fiscal year 2022 due to the cost of the rebates provided  
12 by this act, the governor, with state board of finance  
13 approval, may transfer to the appropriation account of the  
14 general fund the amount necessary to meet that fiscal year's  
15 obligations from the tax stabilization reserve pursuant to  
16 Section 6-4-2.2 NMSA 1978; provided that the total amount  
17 transferred pursuant to this section shall not exceed two  
18 hundred million dollars (\$200,000,000).

19 SECTION 3. APPROPRIATIONS.--

20 A. Six hundred thousand dollars (\$600,000) is  
21 appropriated from the general fund to the taxation and revenue  
22 department for expenditure in fiscal years 2022 and 2023 for  
23 reasonable technology and administrative costs necessary to  
24 implement the provisions of this act. Any unexpended or  
25 unencumbered balance remaining at the end of fiscal year 2023

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1 shall revert to the general fund.

2 B. One hundred seventy-five thousand dollars  
3 (\$175,000) is appropriated from the general fund to the  
4 department of finance and administration for expenditure in  
5 fiscal years 2022 and 2023 for fiscal agent fees and  
6 administrative expenses necessary to implement the provisions  
7 of this act. Any unexpended or unencumbered balance remaining  
8 at the end of fiscal year 2023 shall revert to the general  
9 fund.

10 SECTION 4. EMERGENCY.--It is necessary for the public  
11 peace, health and safety that this act take effect immediately.