HOUSE BILL 15

43RD LEGISLATURE - **STATE OF NEW MEXICO -** SECOND SESSION, 1998

INTRODUCED BY

LUCIANO "LUCKY" VARELA

AN ACT

RELATING TO TAXATION; EXPANDING AND INCREASING THE LOW-INCOME COMPREHENSIVE TAX REBATE.

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

Section 1. Section 7-2-14 NMSA 1978 (being Laws 1972, Chapter 20, Section 2, as amended) is amended to read:

"7-2-14. LOW-INCOME COMPREHENSIVE TAX REBATE.--

A. Except as otherwise provided in Subsection B of this section, any resident who files an individual New Mexico income tax return and who is not a dependent of another individual may claim a tax rebate for a portion of state and local taxes to which the resident has been subject during the taxable year for which the return is filed. The tax rebate may be claimed even though the resident has no income taxable under the Income Tax Act. A husband and wife who file

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1   separate returns for a taxable year in which they could have

2   filed a joint return may each claim only one-half of the tax

3   rebate that would have been allowed on a joint return.

4   B.   No claim for the tax rebate provided in this

5   section shall be filed by a resident who was an inmate of a

6   public institution for more than six months during the taxable

7   year for which the tax rebate could be claimed or who was not

8   physically present in New Mexico for at least six months

9   during the taxable year for which the tax rebate could be

10   claimed.

11   C.   For the purposes of this section, the total

12   number of exemptions for which a tax rebate may be claimed or

13   allowed is determined by adding the number of federal

14   exemptions allowable for federal income tax purposes for each

15   individual included in the return who is domiciled in New

16   Mexico plus two additional exemptions for each individual

17   domiciled in New Mexico included in the return who is

18   sixty-five years of age or older plus one additional exemption

19   for each individual domiciled in New Mexico included in the

20   return who, for federal income tax purposes, is blind plus one

21   exemption for each minor child or stepchild of the resident

22   who would be a dependent for federal income tax purposes if

23   the public assistance contributing to the support of the child

24   or stepchild was considered to have been contributed by the

25   resident.

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D.   The tax rebate provided for in this section may be claimed in the amount shown in the following table:

Modified Gross Income is:		And the total number of exemptions is:					
Over	But Not Over	1	2	3	4	5	6 or More
[$ 0	$ 500	$120	$150	$175	$200	$225	$320
500	1,000	135	185	225	265	300	415
1,000	1,500	135	190	235	290	325	435
1,500	2,000	135	190	235	290	325	450
2,000	2,500	135	190	240	290	325	450
2,500	3,000	135	190	240	290	325	450
3,000	3,500	135	190	240	290	325	450
3,500	4,000	135	190	240	300	335	450
4,000	4,500	135	190	240	300	355	450
4,500	5,000	115	150	205	300	355	450
5,000	5,500	95	130	165	260	355	430
5,500	6,000	75	110	145	220	315	410
6,000	6,500	55	90	125	180	275	370
6,500	7,000	35	70	105	140	235	330
7,000	7,500	15	50	85	120	195	290
7,500	8,000	10	20	50	80	130	220
8,000	8,500	10	20	30	60	90	180
8,500	9,000	10	20	30	40	70	140
9,000	9,500	10	20	30	40	60	100

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1	~~9,500~~	~~10,000~~	~~10~~	~~20~~	~~30~~	~~40~~	~~50~~	~~80~~
2	~~10,000~~	~~10,500~~	~~10~~	~~20~~	~~30~~	~~40~~	~~50~~	~~60~~
3	~~10,500~~	~~11,000~~	~~10~~	~~20~~	~~30~~	~~40~~	~~50~~	~~60~~
4	~~11,000~~	~~11,500~~	~~10~~	~~20~~	~~30~~	~~40~~	~~50~~	~~60~~
5	~~11,500~~	~~12,000~~	~~5~~	~~10~~	~~15~~	~~20~~	~~25~~	~~30~~
6	~~12,000~~	~~12,500~~	~~5~~	~~10~~	~~15~~	~~20~~	~~25~~	~~30~~
7	~~12,500~~	~~13,000~~	~~5~~	~~10~~	~~15~~	~~20~~	~~25~~	~~30~~
8	~~13,000~~	~~13,500~~	~~5~~	~~10~~	~~15~~	~~20~~	~~25~~	~~30~~
9	~~13,500~~	~~14,000~~	~~5~~	~~10~~	~~15~~	~~20~~	~~25~~	~~30~~]
10	$ 0	$ 500	$145	$180	$210	$240	$270	$350
11	500	1,000	165	225	270	320	350	450
12	1,000	1,500	165	230	290	350	390	480
13	1,500	2,000	165	230	290	350	390	495
14	2,000	2,500	165	230	290	350	390	495
15	2,500	3,000	165	230	290	350	390	495
16	3,000	3,500	165	230	290	350	390	495
17	3,500	4,000	165	230	290	350	390	495
18	4,000	4,500	165	230	290	350	390	495
19	4,500	5,000	150	195	250	330	380	470
20	5,000	5,500	125	170	210	315	370	450
21	5,500	6,000	105	145	175	260	340	430
22	6,000	6,500	95	125	165	240	320	395
23	6,500	7,000	85	115	160	210	250	340
24	7,000	7,500	75	105	150	195	235	310
25	7,500	8,000	65	100	145	185	220	280

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1	8, 000	8, 500	65	110	145	185	220	280
2	8, 500	9, 000	55	90	135	170	205	270
3	9, 000	9, 500	55	80	120	160	200	240
4	9, 500	10, 000	55	80	120	160	200	240
5	10, 000	10, 500	45	60	90	120	150	180
6	10, 500	11, 000	45	60	90	120	150	180
7	11, 000	11, 500	45	60	90	120	150	180
8	11, 500	12, 000	35	50	75	100	125	145
9	12, 000	12, 500	35	50	75	100	125	145
10	12, 500	13, 000	35	50	75	100	125	145
11	13, 000	13, 500	35	50	75	100	125	145
12	13, 500	14, 000	25	45	65	85	105	120
13	14, 000	14, 500	25	45	65	85	105	120
14	14, 500	15, 000	25	45	65	85	105	120
15	15, 000	15, 500	20	35	55	70	95	105
16	15, 500	16, 000	20	35	55	70	95	105
17	16, 000	16, 500	20	35	55	70	95	105
18	16, 500	17, 000	15	25	35	55	65	85
19	17, 000	17, 500	15	25	35	55	65	85
20	17, 500	18, 000	10	20	35	55	65	85
21	18, 000	18, 500	0	15	20	35	55	75
22	18, 500	19, 000	0	10	15	25	45	65
23	19, 000	19, 500	0	0	10	20	35	55
24	19, 500	20, 000	0	0	0	15	25	45
25	20, 000	21, 000	0	0	0	10	15	35

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| 1 | 21,000 | 22,000 | 0 | 0 | 0 | 0 | 0 | 20. |

2   E.   If a taxpayer's modified gross income is zero,

3 the taxpayer may claim a credit in the amount shown in the

4 first row of the table appropriate for the taxpayer's number of

5 exemptions.

6   F.   The tax rebates provided for in this section may

7 be deducted from the taxpayer's New Mexico income tax liability

8 for the taxable year. If the tax rebates exceed the taxpayer's

9 income tax liability, the excess shall be refunded to the

10 taxpayer.

11   G.   For purposes of this section, "dependent" means

12 "dependent" as defined by Section 152 of the Internal Revenue

13 Code of 1986, as that section may be amended or renumbered, but

14 also includes any minor child or stepchild of the resident who

15 would be a dependent for federal income tax purposes if the

16 public assistance contributing to the support of the child or

17 stepchild was considered to have been contributed by the

18 resident."

19   Section 2.   APPLICABILITY.--The provisions of this act

20 apply to taxable years beginning on or after January 1, 1998.

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FORTY-THIRD LEGISLATURE

SECOND SESSION, 1998

February 15, 1998

Mr. Speaker:

Your **TAXATION AND REVENUE COMMITTEE,** to whom has been referred

HOUSE BILLS 100, 15, 18 & 175

has had it under consideration and reports same with recommendation that they **DO NOT PASS**, but that

HOUSE TAXATION AND REVENUE COMMITTEE SUBSTITUTE FOR HOUSE BILLS 100, et al

DO PASS, and thence referred to the **APPROPRIATIONS AND FINANCE COMMITTEE.**

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Respectfully submitted,

_____

Jerry W Sandel, Chairman

Adopted _____   Not Adopted ____

_____
(Chief Clerk)

(Chief Clerk)

Date _____

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The roll call vote was 12 For 0 Against

Yes: 12

Excused: None

Absent: LOVEJOY

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_____

Jerry W Sandel,
Chairman

Adopted _____   Not Adopted ____

_____
            (Chief Clerk)

            (Chief Clerk)

                    Date _____

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The roll call vote was __12__ For __0__ Against

Yes: 12

Excused: None

Absent: LOVEJOY

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Respectfully

submitted,

_____

_____

Jerry W

Sandel,

Chairman

Adopted _____   Not Adopted ____

_____
        (Chief Clerk)

        (Chief Clerk)

                        Date _____

Underscored material = new
[bracketed material] = delete

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