



The Legislature  
of the  
State of New Mexico

48th Legislature, Second Special Session

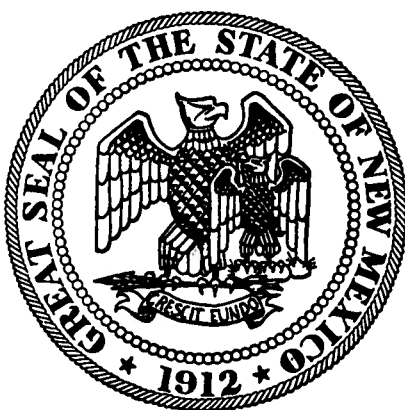
LAWS 2008

CHAPTER 3

SENATE FLOOR SUBSTITUTE FOR

SENATE BILL 24, as amended,  
with emergency clause

Introduced by



**EMERGENCY CLAUSE**

# CHAPTER 3

AN ACT

PROVIDING A REFUNDABLE PERSONAL INCOME TAX CREDIT FOR  
TAXPAYERS FILING RETURNS FOR THE 2007 TAXABLE YEAR; MAKING AN  
APPROPRIATION; 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:

"REFUNDABLE CREDIT--2007 TAXABLE YEAR.--

A. Except as otherwise provided in Subsection B of  
this section, a taxpayer who for the 2007 taxable year files  
a New Mexico income tax return, is a full-year or first-year  
resident of New Mexico and is not a trust, estate or a  
dependent of another taxpayer is allowed a credit in the  
amount determined under Subsection C of this section. The  
credit may be allowed even though the taxpayer has no income  
taxable under the Income Tax Act for the 2007 taxable year.

B. A claim for the refundable tax credit provided  
in this section is not allowed for a resident who was an  
inmate of a public institution for more than six months  
during the 2007 taxable year.

C. The tax credit allowed in this section shall be  
in the amount determined from the following tables for:

(1) married taxpayers filing jointly:

Adjusted Gross Income		Credit Amount for Taxpayer and Spouse	Additional Credit Amount for Each Dependent
Over	Not Over		
0	\$30,000	\$100	\$50.00
\$30,000	\$50,000	\$ 80.00	\$40.00
\$50,000	\$70,000	\$ 50.00	\$25.00
\$70,000		\$ 0.00	\$ 0.00; or

(2) taxpayers filing as single, head of household, married filing separately or as a surviving spouse:

Adjusted Gross Income		Credit Amount for Taxpayer	Additional Credit Amount for Each Dependent
Over	Not Over		
0	\$30,000	\$50.00	\$50.00
\$30,000	\$50,000	\$40.00	\$40.00
\$50,000	\$70,000	\$25.00	\$25.00
\$70,000		\$ 0.00	\$ 0.00.

D. The tax credit allowed in this section may be credited by the department against the taxpayer's New Mexico income tax liability. If the taxpayer is liable for interest and penalties on the taxpayer's income tax liability for the 2007 taxable year prior to the effective date of this section, the amount of interest and penalties shall not be recomputed due to the credit provided by this section but may

1 be satisfied by applying the credit to the penalty or  
2 interest due. Notwithstanding the provisions of Section  
3 7-1-68 NMSA 1978, interest in the amount established by  
4 Subsection B of Section 7-1-68 NMSA 1978 shall only be  
5 allowed and paid on the amount to be refunded under  
6 Subsection E of this section if not refunded or credited  
7 within one hundred twenty days after the effective date of  
8 this section or the applicable period established in  
9 Subsection D of Section 7-1-68 NMSA 1978, whichever is later.

10 E. If the tax credit exceeds the taxpayer's income  
11 tax liability, the excess shall be refunded to the taxpayer.

12 F. For purposes of this section, "dependent" means  
13 "dependent" as defined by Section 152 of the Internal Revenue  
14 Code."

15 Section 2. APPROPRIATION.--Seven hundred fifty thousand  
16 dollars (\$750,000) is appropriated from the general fund to  
17 the taxation and revenue department for expenditure in fiscal  
18 year 2009 to administer the tax credits adopted in the second  
19 special session of the forty-eighth legislature. Any  
20 unexpended or unencumbered balance remaining at the end of  
21 fiscal year 2009 shall revert to the general fund.

22 Section 3. APPLICABILITY.--The provisions of this act  
23 apply to taxable years beginning between January 1, 2007 and  
24 December 31, 2007.

25 Section 4. EMERGENCY.--It is necessary for the public

1 peace, health and safety that this act take effect

2 immediately. \_\_\_\_\_

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Diane D. Denish  
Diane D. Denish, President  
Senate

Lenore M. Naranjo  
Lenore M. Naranjo, Chief Clerk  
Senate

Ben Lujan  
Ben Lujan, Speaker  
House of Representatives

Stephen R. Arias  
Stephen R. Arias, Chief Clerk  
House of Representatives

Approved by me this 25<sup>th</sup> day of August, 2008

Bill Richardson  
Governor Bill Richardson  
State of New Mexico