

1 HOUSE BILL 400
2 45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001
3 INTRODUCED BY
4 Lorenzo A. Larranaga
5
6
7
8
9

10 AN ACT
11 RELATING TO TAXATION; IMPOSING A TAX ON PUNITIVE DAMAGES
12 AWARDS; MAKING AN APPROPRIATION.
13

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

15 Section 1. PUNITIVE DAMAGES AWARD--TAX IMPOSED--
16 ADMINISTRATION AND COLLECTION. --

17 A. There is imposed upon the recipient of any
18 court award for punitive damages a tax in the amount of sixty-
19 five percent of the award.

20 B. The tax imposed by this section may be called
21 the "punitive damages tax".

22 C. The punitive damages tax is due and shall be
23 paid on or before the fifth day of the month following the
24 month in which the award is received.

25 D. The punitive damages tax shall be administered,

1 collected and enforced pursuant to the provisions of the Tax
2 Administration Act.

3 Section 2. A new section of the Tax Administration Act
4 is enacted to read:

5 "[NEW MATERIAL] DISTRIBUTION--CRIME VICTIMS REPARATION
6 FUND.--A distribution pursuant to Section 7-1-6.1 NMSA 1978
7 shall be made to the crime victims reparation fund in an
8 amount equal to the net receipts attributable to the punitive
9 damages tax. "

10 Section 3. EFFECTIVE DATE.--The effective date of the
11 provisions of this act is July 1, 2001.

12 - 2 -
13
14
15
16
17
18
19
20
21
22
23
24
25