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HOUSE BILL 130

**50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012**

INTRODUCED BY

James R.J. Strickler

AN ACT

RELATING TO TAXATION; REDUCING CORPORATE INCOME TAX RATES;  
PROVIDING A THREE-YEAR PERIOD BEGINNING IN 2013 TO IMPLEMENT  
CORPORATE INCOME TAX RATE REDUCTIONS.

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

**SECTION 1.** Section 7-2A-5 NMSA 1978 (being Laws 1981,  
Chapter 37, Section 38, as amended) is amended to read:

"7-2A-5. CORPORATE INCOME TAX RATES.--The corporate  
income tax imposed on corporations by Section 7-2A-3 NMSA 1978  
shall be at the rates specified in the following [~~table~~]

subsections:

A. for taxable years beginning prior to January 1,  
2013:

If the net income is:	The tax shall be:
Not over \$500,000	4.8% of net income

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1 Over \$500,000 but not  
2 over \$1,000,000 \$24,000 plus  
3 6.4% of excess  
4 over \$500,000  
5 Over \$1,000,000 \$56,000 plus  
6 7.6% of excess  
7 over \$1,000,000;

8 B. for taxable years beginning in calendar year 2013:

9 If the net income is: The tax shall be:

10 Not over \$500,000 4.8% of net income  
11 Over \$500,000 \$24,000 plus  
12 6.7% of excess  
13 over \$500,000;

14 C. for taxable years beginning in calendar year 2014:

15 If the net income is: The tax shall be:

16 Not over \$500,000 4.8% of net income  
17 Over \$500,000 \$24,000 plus  
18 5.8% of excess  
19 over \$500,000; and

20 D. for taxable years beginning on or after January 1,  
21 2015, the tax shall be four and eight-tenths percent of net  
22 income."