

underscored material = new  
[bracketed material] = delete

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

SENATE BILL 142

**51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014**

INTRODUCED BY

George K. Munoz

AN ACT

RELATING TO TAXATION; EXTENDING THE DATE TO CLAIM A REFUND FROM  
THE NATIVE AMERICAN VETERANS' INCOME TAX SETTLEMENT FUND;  
MAKING AN APPROPRIATION.

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

**SECTION 1.** Section 7-2H-3 NMSA 1978 (being Laws 2008,  
Chapter 89, Section 3, as amended) is amended to read:

"7-2H-3. NATIVE AMERICAN VETERANS' INCOME TAX SETTLEMENT  
FUND--CREATED--PURPOSE--APPROPRIATIONS.--

A. The "Native American veterans' income tax  
settlement fund" is created as a nonreverting fund in the state  
treasury and shall be administered by the taxation and revenue  
department. The fund shall consist of money that is  
appropriated or donated or that otherwise accrues to the fund.

B. The taxation and revenue department shall

underscored material = new  
[bracketed material] = delete

1 establish procedures and adopt rules as required to administer  
2 the fund and to make settlement payments from the fund as  
3 approved by the secretary of taxation and revenue.

4 C. Money in the fund is appropriated to the  
5 taxation and revenue department to make settlement payments to  
6 Native American veterans who were domiciled within the  
7 boundaries of their tribal lands or their spouse's tribal lands  
8 during the period of their active military duty and had state  
9 personal income taxes withheld from their military income, or  
10 to their heirs pursuant to applicable law. Settlement payments  
11 shall include the amount of state personal income taxes  
12 withheld from eligible Native American veterans that have not  
13 been previously refunded to the veterans and interest on the  
14 amount withheld from the date of withholding computed on a  
15 daily basis at the rate specified for individuals pursuant to  
16 Section 6621 of the Internal Revenue Code of 1986. No  
17 settlement payments shall be made for any taxable year for  
18 which a refund claim may be timely filed with the taxation and  
19 revenue department, or for which an application for settlement  
20 is received after December 31, [~~2012~~] 2019. Money shall be  
21 disbursed from the fund only on warrant of the secretary of  
22 finance and administration upon vouchers signed by the  
23 secretary of taxation and revenue or the secretary's authorized  
24 representative. Any unexpended or unencumbered balance  
25 remaining in the fund at the end of a fiscal year shall not

.195609.1

underscored material = new  
[bracketed material] = delete

1 revert to the general fund.

2 D. Beginning in fiscal year 2010 and in subsequent  
3 fiscal years, not more than five percent of the fund is  
4 appropriated from the fund to the taxation and revenue  
5 department for expenditure in the fiscal year in which it is  
6 appropriated to administer the fund. Any unexpended or  
7 unencumbered balance remaining at the end of any fiscal year  
8 shall revert to the fund.

9 E. Beginning in fiscal year 2010 and in subsequent  
10 fiscal years, not more than five percent of the fund is  
11 appropriated from the fund to the veterans' services department  
12 for expenditure in the fiscal year in which it is appropriated  
13 to assist in outreach and public relations and in determining  
14 eligibility for settlement payments. Any unexpended or  
15 unencumbered balance remaining at the end of any fiscal year  
16 shall revert to the fund."

17 SECTION 2. APPROPRIATION.--Five million dollars  
18 (\$5,000,000) is appropriated from the general fund to the  
19 Native American veterans' income tax settlement fund for  
20 expenditure in fiscal year 2015 and subsequent fiscal years to  
21 carry out the purposes of the fund. Any unexpended or  
22 unencumbered balance remaining at the end of a fiscal year  
23 shall not revert to the general fund.

24 - 3 -

25

.195609.1