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HOUSE BILL 79

**52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016**

INTRODUCED BY

Bill McCamley

AN ACT

RELATING TO TAXATION; INCREASING THE WORKING FAMILIES TAX  
CREDIT PURSUANT TO THE INCOME TAX ACT; REPEALING THE CAPITAL  
GAINS DEDUCTION FROM NET INCOME.

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

**SECTION 1.** Section 7-2-18.15 NMSA 1978 (being Laws 2007,  
Chapter 45, Section 9, as amended) is amended to read:

"7-2-18.15. WORKING FAMILIES TAX CREDIT.--

A. A resident who files an individual New Mexico  
income tax return may claim a credit in an amount equal to  
[~~ten~~] twenty percent of the federal income tax credit for which  
that individual is eligible for the same taxable year pursuant  
to Section 32 of the Internal Revenue Code. The credit  
provided in this section may be referred to as the "working  
families tax credit".

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B. The working families tax credit may be deducted from the income tax liability of an individual who claims the credit and qualifies for the credit pursuant to this section. If the credit exceeds the individual's income tax liability for the taxable year, the excess shall be refunded to the individual."

SECTION 2. REPEAL.--Section 7-2-34 NMSA 1978 (being Laws 1999, Chapter 205, Section 1, as amended) is repealed.

SECTION 3. APPLICABILITY.--The provisions of this act apply to taxable years beginning on or after January 1, 2015.