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HOUSE BILL 49

55TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2022

INTRODUCED BY

Gail Armstrong and Cathrynn N. Brown and Randall T. Pettigrew
and Candie G. Sweetser and Rebecca Dow

AN ACT

RELATING TO TAXATION; EXEMPTING SOCIAL SECURITY INCOME FROM
INCOME TAX.

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:

"~~[NEW MATERIAL]~~ EXEMPTION--SOCIAL SECURITY INCOME.--

A. An individual may claim an exemption in an
amount equal to the following percentages of the amount
included in adjusted gross income pursuant to Section 86 of the
Internal Revenue Code, as that section may be amended or
renumbered, of income includable except for this exemption in
net income:

(1) for a taxable year beginning on or after
January 1, 2022, twenty percent;

.221842.1

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1 (2) for a taxable year beginning on or after
2 January 1, 2023, forty percent;

3 (3) for a taxable year beginning on or after
4 January 1, 2024, sixty percent;

5 (4) for a taxable year beginning on or after
6 January 1, 2025 eighty percent; and

7 (5) for taxable years beginning on or after
8 January 1, 2026, one hundred percent.

9 B. The amount exempted pursuant to Subsection A of
10 this section shall not exceed the individual's net income.

11 C. An individual who claims an exemption pursuant
12 to this section shall not claim the exemption pursuant to
13 Section 7-2-5.2 NMSA 1978."

14 SECTION 2. APPLICABILITY.--The provisions of this act
15 apply to taxable years beginning on or after January 1, 2022.