

HOUSE BILL 2

55TH LEGISLATURE - STATE OF NEW MEXICO - THIRD SPECIAL SESSION, 2022

INTRODUCED BY

Christine Chandler and Pamelya Herndon and Javier Martínez and
Roberto "Bobby" J. Gonzales and G. Andrés Romero

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO HOUSEHOLD RELIEF; CREATING SUPPLEMENTAL 2021 INCOME TAX REBATES; PROVIDING RELIEF PAYMENTS TO STATE RESIDENTS NOT ELIGIBLE FOR THE REBATES; AUTHORIZING A TRANSFER FROM THE TAX STABILIZATION RESERVE IF REVENUES AND TRANSFERS ARE NOT SUFFICIENT TO MEET APPROPRIATIONS DUE TO THE COST OF THE REBATES AND RELIEF PAYMENTS; MAKING APPROPRIATIONS; DECLARING AN EMERGENCY.

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

.222876.10AIC April 5, 2022 (5:18pm)

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SECTION 1. A new section of the Income Tax Act is enacted to read:

"[NEW MATERIAL] SUPPLEMENTAL 2021 INCOME TAX REBATES.--

A. A resident who files an individual New Mexico income tax return for taxable year 2021 by May 31, 2023 and who is not a dependent of another individual is eligible for two tax rebates pursuant to this section.

B. For a resident who files an income tax return by May 31, 2022:

(1) the first tax rebate shall be made as soon as possible, but no later than June 30, 2022, in the following amounts:

(a) five hundred dollars (\$500) for heads of household, surviving spouses and married individuals filing joint returns; and

(b) two hundred fifty dollars (\$250) for single individuals and married individuals filing separate returns; and

(2) the second tax rebate shall be made between HTRC ~~September 1 and September~~ HTRC ~~August 1 and August~~ HTRC 30, 2022 in the following amounts:

(a) five hundred dollars (\$500) for heads of household, surviving spouses and married individuals filing joint returns; and

(b) two hundred fifty dollars (\$250) for

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single individuals and married individuals filing separate returns.

C. For a resident who files an income tax return for taxable year 2021 after May 31, 2022, rebates shall be made in the amounts and as provided in Subsection B of this section as soon as possible after the return is received; provided that a rebate shall not be allowed for a return filed after May 31, 2023.

D. The rebates provided by this section may be deducted from the taxpayer's New Mexico income tax liability for taxable year 2021. If the amount of rebate exceeds the taxpayer's income tax liability, the excess shall be refunded to the taxpayer.

E. The department may require a taxpayer to claim a rebate provided by this section on forms and in a manner required by the department."

SECTION 2. TEMPORARY PROVISION--RELIEF PAYMENT.--

A. The human services department shall provide a relief payment to state residents on a first-come, first-served basis pursuant to this section until the appropriation pursuant to Subsection A of Section 4 of this act is exhausted; provided that the state residents:

(1) are not eligible for a tax rebate provided by Section 1 of this act;

(2) are not dependents, as that term is used

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in the Income Tax Act, of a recipient of a rebate provided by Section 1 of this act;

(3) were at least eighteen years of age during any part of 2021; and

(4) file an application with the department by May 31, 2023.

B. For a resident who applies to the department by May 31, 2022, the relief payment shall be made as soon as possible, but no later than July 31, 2022, in the following amounts:

(1) one thousand dollars (\$1,000) for households of married couples or single individuals with one or more dependents; and

(2) five hundred dollars (\$500) for households of single individuals without dependents.

C. For a resident who files an application after May 31, 2022, the relief payment shall be made in the amounts and as provided in Subsection B of this section as soon as possible after the application is received; provided that a relief payment shall not be allowed for an application received after May 31, 2023.

D. The department shall require a resident to apply for the relief provided by this section on forms and in a manner required by the department. The application shall include documentation of the resident's social security number

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or individual taxpayer identification number.

SECTION 3. TEMPORARY PROVISION--TRANSFER FROM TAX STABILIZATION RESERVE.--If revenues and transfers to the general fund are not sufficient to meet appropriations at the end of fiscal year 2022 due to the cost of the rebates and relief payments provided by this act, the governor, with state board of finance approval, may transfer to the appropriation account of the general fund the amount necessary to meet that fiscal year's obligations from the tax stabilization reserve pursuant to Section 6-4-2.2 NMSA 1978; provided that the total amount transferred pursuant to this section shall not exceed two hundred million dollars (\$200,000,000).

SECTION 4. APPROPRIATIONS.--

A. Twenty million dollars (\$20,000,000) is appropriated from the general fund to the human services department for expenditure in fiscal years 2022 and 2023 to provide the relief payments pursuant to Section 2 of this act. Any unexpended or unencumbered balance remaining at the end of fiscal year 2023 shall revert to the general fund.

B. Ten thousand dollars (\$10,000) is appropriated from the general fund to the human services department for expenditure in fiscal years 2022 and 2023 for reasonable technology and administrative costs necessary to implement the provisions of Section 2 of this act. Any unexpended or unencumbered balance remaining at the end of fiscal year 2023

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shall revert to the general fund.

C. Six hundred thousand dollars (\$600,000) is appropriated from the general fund to the taxation and revenue department for expenditure in fiscal years 2022 and 2023 for reasonable technology and administrative costs necessary to implement the provisions of Section 1 of this act and to assist the human services department with implementation of the provisions of Section 2 of this act. Any unexpended or unencumbered balance remaining at the end of fiscal year 2023 shall revert to the general fund.

D. One hundred seventy-five thousand dollars (\$175,000) is appropriated from the general fund to the department of finance and administration for expenditure in fiscal years 2022 and 2023 for fiscal agent fees and administrative expenses necessary to implement the provisions of this act. Any unexpended or unencumbered balance remaining at the end of fiscal year 2023 shall revert to the general fund.

SECTION 5. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.

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