

1 SENATE BILL 125

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024**

3 INTRODUCED BY

4 William F. Burt

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10 AN ACT

11 RELATING TO TAXATION; REMOVING THE SUNSET DATE FOR AN INCOME
12 TAX EXEMPTION FOR ARMED FORCES RETIREMENT PAY AND EXTENDING THE
13 EXEMPTION TO SURVIVING SPOUSES OF ARMED FORCES RETIREES.

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

16 SECTION 1. Section 7-2-5.13 NMSA 1978 (being Laws 2022,
17 Chapter 47, Section 6) is amended to read:

18 "7-2-5.13. EXEMPTION--ARMED FORCES RETIREMENT PAY.--

19 A. An individual who is an armed forces retiree or
20 the surviving spouse of an armed forces retiree may claim an
21 exemption in the following amounts of military retirement pay
22 includable, except for this exemption, in net income:

23 (1) for taxable year 2022, ten thousand
24 dollars (\$10,000);

25 (2) for taxable year 2023, twenty thousand

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1 dollars (\$20,000); and

2 (3) for taxable ~~[years]~~ year 2024 ~~[through~~
3 ~~2026]~~ and thereafter, thirty thousand dollars (\$30,000).

4 B. As used in this section, "armed forces retiree"
5 means a former member of the armed forces of the United States
6 who has qualified by years of service or disability to separate
7 from military service with lifetime benefits."

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