1	HOUSE BILL	819
2	43rd Legislature - STATE OF NEW MEX	(ICO - FIRST SESSION, 1997
3	INTRODUCED	BY
4	ANNA MARIE C	ROOK
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10	AN ACT	
11	RELATING TO TAXATION; AMENDING THE IN	NCOME TAX ACT TO REDUCE
12	RATES.	
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14	BE IT ENACTED BY THE LEGISLATURE OF T	THE STATE OF NEW MEXICO:
15	Section 1. Section 7-2-7 NMSA	1978 (being Laws 1994,
16	Chapter 5, Section 20) is amended to	read:
17	"7-2-7. INDIVIDUAL INCOME TAX	RATES The tax imposed by
18	Section 7-2-3 NMSA 1978 shall be at t	the following rates for any
19	taxable year beginning on or after Ja	anuary 1, [1996] <u>1997</u> :
20	A. For married individua	ls filing separate returns:
21	If the taxable income is:	The tax shall be:
22	Not over \$4,000	1.7% of taxable income
23	Over \$4,000 but not over \$8,000	\$68.00 plus 3.2% of
24		excess over \$4,000
25	Over \$8,000 but not over \$[12,000]	\$196 plus 4.7% of

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1	<u>\$14, 000</u>	excess over \$8,000
2	0ver [\$ 12,000] <u>\$14,000</u> but not	[\$384] <u>\$478</u> plus 6.0% of
3	over \$20,000	excess over [\$12,000]
4		<u>\$14, 000</u>
5	Over \$20,000 but not over \$32,000	[\$864] <u>\$838</u> plus 7.1% of
6		excess over \$20,000
7	Over \$32,000 but not over \$50,000	[\$1, 716] <u>\$1, 690</u> plus 7. 9%
8		of excess over \$32,000
9	0ver \$50,000	[\$3, 138] <u>\$3, 112</u> plus
10		[8.5%] <u>8.3%</u> of
11		excess over \$50,000.
12	B. For surviving spouses	and married individuals
13	filing joint returns:	
14	If the taxable income is:	The tax shall be:
14 15	If the taxable income is:	The tax shall be: 1.7% of taxable income
15	Not over \$8,000	1.7% of taxable income
15 16	Not over \$8,000	1.7% of taxable income \$136 plus 3.2% of excess over \$8,000
15 16 17	Not over \$8,000 Over \$8,000 but not over \$16,000	1.7% of taxable income \$136 plus 3.2% of excess over \$8,000
15 16 17 18	Not over \$8,000 Over \$8,000 but not over \$16,000 Over \$16,000 but not over [\$24,000]	1.7% of taxable income \$136 plus 3.2% of excess over \$8,000 \$392 plus 4.7% of
15 16 17 18 19	Not over \$8,000 Over \$8,000 but not over \$16,000 Over \$16,000 but not over [\$24,000] \$28,000	1.7% of taxable income \$136 plus 3.2% of excess over \$8,000 \$392 plus 4.7% of excess over \$16,000
15 16 17 18 19 20	Not over \$8,000 Over \$8,000 but not over \$16,000 Over \$16,000 but not over [\$24,000] \$28,000 Over [\$24,000] \$28,000 but not	1.7% of taxable income \$136 plus 3.2% of excess over \$8,000 \$392 plus 4.7% of excess over \$16,000 [\$768] \$956 plus 6.0% of
15 16 17 18 19 20 21	Not over \$8,000 Over \$8,000 but not over \$16,000 Over \$16,000 but not over [\$24,000] \$28,000 Over [\$24,000] \$28,000 but not	1.7% of taxable income \$136 plus 3.2% of excess over \$8,000 \$392 plus 4.7% of excess over \$16,000 [\$768] \$956 plus 6.0% of excess over [\$24,000]
15 16 17 18 19 20 21 22	Not over \$8,000 Over \$8,000 but not over \$16,000 Over \$16,000 but not over [\$24,000] \$28,000 Over [\$24,000] \$28,000 but not over \$40,000	1.7% of taxable income \$136 plus 3.2% of excess over \$8,000 \$392 plus 4.7% of excess over \$16,000 [\$768] \$956 plus 6.0% of excess over [\$24,000] \$28,000
15 16 17 18 19 20 21 22 23	Not over \$8,000 Over \$8,000 but not over \$16,000 Over \$16,000 but not over [\$24,000] \$28,000 Over [\$24,000] \$28,000 but not over \$40,000	1.7% of taxable income \$136 plus 3.2% of excess over \$8,000 \$392 plus 4.7% of excess over \$16,000 [\$768] \$956 plus 6.0% of excess over [\$24,000] \$28,000 [\$1,728] \$1,676 plus 7.1%

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2	0ver \$100,000	[\$6, 276] <u>\$6, 224</u> plus
3		[8.5%] <u>8.3%</u> of excess
4		over \$100,000.
5	C. For single individuals	and for estates and
6	trusts:	
7	If the taxable income is:	The tax shall be:
8	Not over [\$5,500] <u>\$6,000</u>	1.7% of taxable income
9	0ver [\$5, 500] <u>\$6, 000</u> but not	[\$93. 50] <u>\$102</u> plus 3. 2%
10	over [\$11, 000] <u>\$12, 000</u>	of excess over [\$5,500]
11		<u>\$6, 000</u>
12	Over [\$11,000] <u>\$12,000</u> but not	[\$269.50] <u>\$294</u> plus 4.7%
13	over [\$16, 000] <u>\$18, 000</u>	of excess over [\$11,000]
14		<u>\$12, 000</u>
15	Over [\$16,000] <u>\$18,000</u> but not	[\$504.50] <u>\$576</u> plus 6.0%
16	over \$26,000	of excess over [\$16,000]
17		<u>\$18, 000</u>
18	Over \$26,000 but not over \$42,000	[\$1, 104. 50] \$ <u>1, 056</u> plus
19		7.1% of excess over
20		\$26,000
21	Over \$42,000 but not over \$65,000	[\$2, 240. 50] <u>\$2, 192</u> plus
22		7.9% of excess over
23		\$42,000
24	0ver \$65,000	[\$4, 057. 50] <u>\$4, 009</u> plus
25		[8.5%] <u>8.3%</u> of excess

of excess over \$64,000

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Underscored material	[bracketed naterial]	

over \$65,000.

D.	For	heads	\mathbf{of}	household	filing	returns:
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If the taxable income is:	The tax shall be:
Not over \$7,000	1.7% of taxable income
Over \$7,000 but not over \$14,000	\$119 plus 3.2% of
	excess over \$7,000
0ver \$14,000 but not over [\$20,000]	\$343 plus 4.7% of
<u>\$24, 000</u>	excess over \$14,000
0ver [\$20,000] <u>\$24,000</u> but not over	[\$625] <u>\$813</u> plus 6.0% of
[\$33, 000] <u>\$34, 000</u>	excess over [\$20,000]
	<u>\$24, 000</u>
0ver [\$33, 000] <u>\$34, 000</u> but not	[\$1, 405] <u>\$1, 413</u> plus 7. 1%
over [\$53, 000] <u>\$54, 000</u>	of excess over [\$33,000]
	<u>\$34, 000</u>
0ver [\$53, 000] <u>\$54, 000</u> but not	[\$2, 825] <u>\$2, 833</u> plus 7. 9%
over \$83,000	of excess over [\$53,000]
	<u>\$54, 000</u>
0ver \$83,000	[\$5, 195] <u>\$5, 124</u> plus
	[8.5%] <u>8.3%</u> of excess
	over \$83, 000.

- The tax on the sum of any lump-sum amounts included E. in net income is an amount equal to five multiplied by the difference between:
- (1) the amount of tax due on the taxpayer's taxable income; and

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		(2)	the amou	nt of tax	that	would b	e due or	n an
amount	equal	to th	e taxpaye	er's taxab	le in	come and	twenty	percent
of the	taxpay	yer' s	lump-sum	amounts i	ncl ude	ed in ne	t income	e. "

Section 2. APPLICABILITY. -- The provisions of this act apply to taxable years beginning on or after January 1, 1997.

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