

AN ACT

RELATING TO TAXATION; AMENDING CERTAIN PROVISIONS OF THE INVESTMENT
CREDIT ACT.

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

Section 1. Section 7-9A-7.1 NMSA 1978 (being Laws 1983, Chapter 206,
Section 6, as amended by Laws 2001, Chapter 57, Section 4 and by Laws 2001,
Chapter 337, Section 4) is amended to read:

"7-9A-7.1. EMPLOYMENT REQUIREMENTS.--

A. Prior to July 1, 2011, to be eligible to claim a credit pursuant to the
Investment Credit Act, the taxpayer shall employ the equivalent of one full-time
employee who has not been counted to meet this employment requirement for any
prior claim in addition to the number of full-time employees employed on the day one
year prior to the day on which the taxpayer applies for the credit for every:

(1) five hundred thousand dollars (\$500,000), or portion of that
amount, in value of qualified equipment claimed by the taxpayer in a taxable year in the
same claim, up to a value of thirty million dollars (\$30,000,000); and

(2) one million dollars (\$1,000,000), or portion of that amount,
in value of qualified equipment over thirty million dollars (\$30,000,000) claimed by the
taxpayer in a taxable year in the same claim.

B. After June 30, 2011, for every one hundred thousand dollars
(\$100,000) in value of qualified equipment claimed by a taxpayer in a taxable year, the
taxpayer shall employ the equivalent of one full-time employee in addition to the
number of full-time employees employed on the day one year prior to the day on which

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the taxpayer applies for credit.

C. The department may require evidence showing compliance with this section. The department may find that an additional employee meets the requirements of this section, although employed earlier than one year prior to the day on which the taxpayer applies for the credit, if he was only being trained prior to that date or his employment is necessitated by the use of the qualified equipment."