

AN ACT

RELATING TO THE ARMED SERVICES; CREATING AN OPTIONAL DESIGNATION FOR A PERSONAL INCOME TAX CONTRIBUTION FOR ASSISTANCE TO MEMBERS OF THE NEW MEXICO NATIONAL GUARD ACTIVATED FOR SERVICE IN THE GLOBAL WAR ON TERRORISM AND TO THEIR FAMILIES; PROVIDING FOR A DISTRIBUTION; MAKING AN APPROPRIATION.

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

Section 1. A new section of the Tax Administration Act is enacted to read:

"DISTRIBUTION--CONTRIBUTIONS FOR NATIONAL GUARD MEMBER AND FAMILY ASSISTANCE.--A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the secretary of veterans' services in an amount equal to the money designated pursuant to the Income Tax Act as contributions for assistance to members of the New Mexico national guard activated for service in the global war on terrorism and to their families. The secretary of veterans' services shall deposit the money in a temporary suspense account for distribution to members of the New Mexico national guard activated for service in the global war on terrorism and to their families."

Section 2. A new section of the Income Tax Act is enacted to read:

"OPTIONAL DESIGNATION OF TAX REFUND CONTRIBUTION--

NATIONAL GUARD MEMBER AND FAMILY ASSISTANCE.--

A. Except as otherwise provided in Subsection C of this section, an individual whose state income tax liability after application of allowable credits and tax rebates in a year is lower than the amount of money held by the department to the credit of the individual for that tax year may designate a portion of the income tax refund due to the individual to be contributed for assistance to members of the New Mexico national guard activated for service in the global war on terrorism and to their families. In the case of a joint return, both individuals must make such a designation.

B. The department shall revise the state income tax form to allow the designation of such contributions in the following form:

"National Guard Member and Family Assistance - Check if you wish to contribute a part or all of your tax refund for assistance to members of the New Mexico national guard activated for service in the global war on terrorism and to their families. Enter here \$ _____ the amount of your contribution."

C. The provisions of this section do not apply to income tax refunds subject to interception under the provisions of the Tax Refund Intercept Program Act, and any designation made under the provisions of this section to such refunds is void."

Section 3. APPLICABILITY.--The provisions of this act apply to taxable years beginning on or after January 1, 2005.

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