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HOUSE BILL 119

50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011

INTRODUCED BY

David C. Chavez

AN ACT

RELATING TO TAXATION; PROVIDING A PERSONAL INCOME TAX EXEMPTION
FOR CERTAIN INDIVIDUALS SIXTY-FIVE YEARS OF AGE OR OVER.

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

SECTION 1. Section 7-2-4 NMSA 1978 (being Laws 1965,
Chapter 202, Section 4, as amended) is amended to read:

"7-2-4. EXEMPTIONS.--No income tax shall be imposed upon:

A. a trust organized or created in the United
States and forming part of a stock bonus, pension or profit-
sharing plan of an employer for the exclusive benefit of [~~his~~]
the employer's employees or their beneficiaries, which trust is
exempt from taxation under the provisions of the Internal
Revenue Code; [~~or~~]

B. religious, educational, benevolent or other
organizations not organized for profit which are exempt from

underscoring material = new
~~[bracketed material] = delete~~

1 income taxation under the Internal Revenue Code except to the
2 extent that such income is subject to federal income taxation
3 as "unrelated business income" under the Internal Revenue Code;
4 or

5 C. individuals sixty-five years of age or over
6 whose adjusted gross income for federal income tax purposes is
7 seventy thousand dollars (\$70,000) or less."

8 SECTION 2. APPLICABILITY.--The provisions of this act are
9 applicable to taxable years beginning on or after January 1,
10 2012.

11 SECTION 3. EFFECTIVE DATE.--The effective date of the
12 provisions of this act is January 1, 2012.