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HOUSE BILL 503

53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017

INTRODUCED BY

Antonio "Moe" Maestas

AN ACT

RELATING TO TAXATION; MODIFYING THE PERSONAL INCOME TAX
BRACKETS AND RATES.

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

SECTION 1. Section 7-2-7 NMSA 1978 (being Laws 2005,
Chapter 104, Section 4) is amended to read:

"7-2-7. INDIVIDUAL INCOME TAX RATES.--The tax imposed by
Section 7-2-3 NMSA 1978 [~~shall be~~] is at the following rates
for [~~any~~] a taxable year beginning on or after January 1,
[~~2008~~] 2018:

A. For married individuals filing separate returns:

If the taxable income is:	The tax [shall be] <u>is</u> :
Not over [\$4,000] <u>\$15,000</u>	[1.7%] <u>2%</u> of taxable income
Over [\$4,000] <u>\$15,000</u> but not	[\$ 68.00] <u>\$300</u> plus [3.2%]

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1 over [~~\$8,000~~] \$30,000 3% of excess over
2 [~~\$4,000~~] \$15,000
3 Over [~~\$8,000~~] \$30,000 but not [~~\$196~~] \$750 plus [~~4.7%~~]
4 over [~~\$12,000~~] \$45,000 4% of excess over
5 [~~\$8,000~~] \$30,000
6 Over [~~\$12,000~~] \$45,000 but not [~~\$384~~] \$1,350 plus [~~4.9%~~]
7 over \$75,000 5% of excess over
8 [~~\$12,000~~] \$75,000
9 Over \$75,000 \$2,850 plus 6% of excess
10 over \$75,000.

11 B. For heads of household, surviving spouses and
12 married individuals filing joint returns:

13 If the taxable income is: The tax [~~shall be~~] is:
14 Not over [~~\$8,000~~] \$30,000 [~~1.7%~~] 2% of taxable
15 income
16 Over [~~\$8,000~~] \$30,000 but not over [~~\$136~~] \$600 plus [~~3.2%~~]
17 [~~\$16,000~~] \$60,000 3% of excess over
18 [~~\$8,000~~] \$30,000
19 Over [~~\$16,000~~] \$60,000 but not over [~~\$392~~] \$1,500 plus [~~4.7%~~]
20 [~~\$24,000~~] \$90,000 4% of excess over
21 [~~\$16,000~~] \$60,000
22 Over [~~\$24,000~~] \$90,000 but not [~~\$768~~] \$2,700 plus [~~4.9%~~]
23 \$150,000 5% of excess over
24 [~~\$24,000~~] \$90,000
25 Over \$150,000 \$5,700 plus 6% of excess

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1 over \$150,000.

2 C. For single individuals and for estates and
3 trusts:

4 If the taxable income is: The tax [~~shall be~~] is:

5 Not over [~~\$5,500~~] \$20,000 [~~1.7%~~] 2% of taxable
6 income

7 Over [~~\$5,500~~] \$20,000 but not over [~~\$93.50~~] \$400 plus [~~3.2%~~]
8 [~~\$11,000~~] \$40,000 3% of excess over
9 [~~\$5,500~~] \$20,000

10 Over [~~\$11,000~~] \$40,000 but not over [~~\$269.50~~] \$1,000 plus
11 [~~\$16,000~~] \$60,000 [~~4.7%~~] 4% of excess over
12 [~~\$11,000~~] \$40,000

13 Over [~~\$16,000~~] \$60,000 but not [~~\$504.50~~] \$1,800 plus
14 but not over \$100,000 [~~4.9%~~] 5% of excess over
15 [~~\$16,000~~] \$60,000

16 Over \$100,000 \$3,800 plus 6% of excess
17 over \$100,000.

18 D. The tax on the sum of any lump-sum amounts
19 included in net income is an amount equal to five multiplied by
20 the difference between:

21 (1) the amount of tax due on the taxpayer's
22 taxable income; and

23 (2) the amount of tax that would be due on an
24 amount equal to the taxpayer's taxable income and twenty
25 percent of the taxpayer's lump-sum amounts included in net

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income."

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