

SENATE BILL 138

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

George K. Muñoz

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO TAXATION; REMOVING DISTRIBUTIONS FROM THE OIL AND GAS PROCEEDS AND PASS-THROUGH ENTITY WITHHOLDING TAX ACT TO THE MAGISTRATE RETIREMENT FUND AND JUDICIAL RETIREMENT FUND.

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

SECTION 1. Section 7-1-6.43 NMSA 1978 (being Laws 2003, Chapter 86, Section 1, as amended) is amended to read:

"7-1-6.43. DISTRIBUTION--OIL AND GAS PROCEEDS AND PASS-

.229159.1AIC March 12, 2025 (3:58pm)

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THROUGH ENTITY WITHHOLDING TAX--~~[MAGISTRATE RETIREMENT FUND--
JUDICIAL RETIREMENT FUND]~~ LEGISLATIVE RETIREMENT FUND.--

STBTC→~~[A.]~~←STBTC STBTC→~~A.~~←STBTC A distribution pursuant to
Section 7-1-6.1 NMSA 1978 from the net receipts attributable to
the amount of tax deducted pursuant to the Oil and Gas Proceeds
and Pass-Through Entity Withholding Tax Act shall be made [~~as~~
follows:

(1) ~~to the magistrate retirement fund in the
amount of one hundred thousand dollars (\$100,000);~~

(2) ~~to the judicial retirement fund in the
amount of one hundred thousand dollars (\$100,000); and~~

(3) ~~on and after July 1, 2025]~~ to the
legislative retirement fund in the amount of seventy-five
thousand dollars (\$75,000) or, if larger, in an amount equal to
one-twelfth of the amount necessary to pay out the retirement
benefits due under state legislator member coverage plan 2 and
Paragraph (2) of Subsection C of Section 10-11-41 NMSA 1978 for
the succeeding calendar year.

~~[B. In regard to the distributions to the
magistrate retirement fund and the judicial retirement fund, in
December 2024 and in each December thereafter, the public
employees retirement association, with the assistance of the
administrative office of the courts, shall determine the funded
ratio of each fund as of the end of the preceding fiscal year.
If the funded ratio of the magistrate retirement fund for the~~

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~~preceding fiscal year is equal to or greater than one hundred percent, the association shall notify the department, and no further distributions pursuant to Paragraph (1) of Subsection A of this section shall be made. If the funded ratio of the judicial retirement fund for the preceding fiscal year is equal to or greater than one hundred percent, the association shall notify the department, and no further distributions pursuant to Paragraph (2) of Subsection A of this section shall be made.~~

STBTC➡]←STBTC

STBTC➡~~C.~~←STBTC STBTC➡~~B.~~←STBTC STBTC➡~~In regard to the distribution to the legislative retirement fund, in December 2024 and in each December thereafter, the public employees retirement association, with the assistance of the legislative council service, shall determine the amount of retirement benefits for the succeeding calendar year. If the monthly average exceeds seventy-five thousand dollars (\$75,000), the association shall immediately notify the department of the average amount.~~←STBTC STBTC➡In regard to the distribution to the legislative retirement fund, in December 2024 and in each December thereafter, the public employees retirement association, with the assistance of the legislative council service, shall determine the amount of retirement benefits for the succeeding calendar year. If the monthly average exceeds seventy-five thousand dollars (\$75,000), the association shall immediately notify the

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department of the average amount.←STBTC "

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