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HOUSE BILL 1006

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY  
DELORES C. WRIGHT

AN ACT

RELATING TO TAXATION; EXEMPTING FROM INCOME TAXATION CERTAIN  
ANNUITY AND PENSION INCOME.

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

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

"NEW MATERIAL EXEMPTION--ANNUITY AND PENSION INCOME. --

A. An individual may claim an exemption from income  
taxation for annuity or pension income included in base income  
in an amount not to exceed five thousand dollars (\$5,000).

B. As used in this section, "annuity or pension  
income" means that pension or annuity income required by federal  
law or regulation to be reported on information return federal  
form 1099-R or any successor forms used to report distributions  
from pensions, annuities, retirement or profit-sharing plans,

Underscored material = new  
[bracketed material] = delete

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1 individual retirement accounts, insurance contracts and similar  
2 income that is attributable to any benefit taxable for federal  
3 income tax purposes paid to an individual under a qualified  
4 plan, annuity or simplified employee pension plan pursuant to  
5 Sections 401 through 404, 408 or 457 of the Internal Revenue  
6 Code and including any inside buildup of interest distributed in  
7 conjunction with any of the listed distributions. "

8 Section 2. APPLICABILITY. --The provisions of this act  
9 apply to taxable years beginning on or after January 1, 1997.