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HOUSE BILL 37

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

Christine Chandler

AN ACT

RELATING TO TAXATION; LIMITING THE CAPITAL GAINS DEDUCTION
PURSUANT TO THE INCOME TAX ACT.

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

SECTION 1. Section 7-2-34 NMSA 1978 (being Laws 1999,
Chapter 205, Section 1, as amended) is amended to read:

"7-2-34. DEDUCTION--NET CAPITAL GAIN INCOME.--

A. [~~Except as provided in Subsection C of this
section~~] A taxpayer may claim a deduction from net income in an
amount equal to the greater of:

(1) the taxpayer's net capital gain income for
the taxable year for which the deduction is being claimed, but
not to exceed [~~one thousand dollars (\$1,000)~~] two thousand five
hundred dollars (\$2,500); or

(2) forty percent of up to one million dollars

