

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

HOUSE BILL 40

**54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

INTRODUCED BY

Greg Nibert and Daymon Ely

DISCUSSION DRAFT

AN ACT

RELATING TO TAXATION; CREATING A DEDUCTION FROM INCOME TAX FOR  
VOLUNTEER FIREFIGHTERS WHO ARE NONSALARIED.

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]~~ DEDUCTION--VOLUNTEER FIREFIGHTER.--"

A. A taxpayer who is not a dependent of another individual and is a volunteer firefighter may claim a deduction from net income in an amount equal to three thousand dollars (\$3,000). The deduction provided in this section may be referred to as the "volunteer firefighter deduction".

B. Married individuals filing separate returns for a taxable year for which they could have filed a joint return may each claim only one-half of the volunteer firefighter

underscoring material = new  
[bracketed material] = delete

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

1 deduction that would have been claimed on a joint return.

2 C. A taxpayer allowed a deduction pursuant to this  
3 section shall report the amount of the deduction to the  
4 department in a manner required by the department.

5 D. The department shall compile an annual report on  
6 the deduction provided by this section that shall include the  
7 number of taxpayers that claimed the deduction, the aggregate  
8 amount of deductions claimed and any other information  
9 necessary to evaluate the effectiveness of the deduction. The  
10 department shall present the annual report to the revenue  
11 stabilization and tax policy committee and the legislative  
12 finance committee with an analysis of the effectiveness and  
13 cost of the deduction and whether the deduction is performing  
14 the purpose for which it was created.

15 E. The department shall adopt rules establishing  
16 procedures for purposes of obtaining a deduction pursuant to  
17 this section.

18 F. As used in this section:

19 (1) "municipality" means any incorporated  
20 city, town or village, whether incorporated under general act,  
21 special act or special charter, and an H class county; and

22 (2) "volunteer firefighter" means a volunteer  
23 nonsalaried firefighter who is listed as an active member on  
24 the rolls of an organized volunteer fire department of a  
25 municipality or county."

.211746.1

