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SENATE BILL 152

50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012

INTRODUCED BY

Eric G. Griego

AN ACT

RELATING TO TAXATION; AMENDING THE INCOME TAX ACT; CREATING A
SURTAX FOR HIGHER LEVELS OF TAXABLE INCOME.

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 at the following rates for any
taxable year beginning on or after January 1, 2008:

A. For married individuals filing separate returns:

If the taxable income is:	The tax shall be:
Not over \$4,000	1.7% of taxable income
Over \$ 4,000 but not over \$ 8,000	\$ 68.00 plus 3.2% of excess over \$ 4,000
Over \$ 8,000 but not over \$ 12,000	\$ 196 plus 4.7% of

.188187.2

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1 excess over \$ 8,000
2 Over \$ 12,000 \$ 384 plus 4.9% of
3 excess over \$ 12,000.

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

6	If the taxable income is:	The tax shall be:
7	Not over \$8,000	1.7% of taxable income
8	Over \$ 8,000 but not over \$ 16,000	\$ 136 plus 3.2% of
9		excess over \$ 8,000
10	Over \$ 16,000 but not over \$ 24,000	\$ 392 plus 4.7% of
11		excess over \$ 16,000
12	Over \$ 24,000	\$ 768 plus 4.9% of
13		excess over \$ 24,000.

14 C. For single individuals and for estates and
15 trusts:

16	If the taxable income is:	The tax shall be:
17	Not over \$5,500	1.7% of taxable income
18	Over \$ 5,500 but not over \$ 11,000	\$ 93.50 plus 3.2% of
19		excess over \$ 5,500
20	Over \$ 11,000 but not over \$ 16,000	\$ 269.50 plus 4.7% of
21		excess over \$ 11,000
22	Over \$ 16,000	\$ 504.50 plus 4.9% of
23		excess over \$ 16,000.

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

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

4 (2) the amount of tax that would be due on an
5 amount equal to the taxpayer's taxable income and twenty
6 percent of the taxpayer's lump-sum amounts included in net
7 income.

8 E. The tax imposed by Section 7-2-3 NMSA 1978 is
9 increased for taxable years beginning on or after January 1,
10 2013 by a surtax that may be cited as the "income tax surtax"
11 and that is imposed at the rate of:

12 (1) for married individuals filing separate
13 returns, three and three-tenths percent on taxable income in
14 excess of three hundred seventy-five thousand dollars
15 (\$375,000);

16 (2) for heads of households, surviving spouses
17 and married individuals filing joint returns, three and three-
18 tenths percent on taxable income in excess of one hundred
19 eighty-seven thousand five hundred dollars (\$187,500); and

20 (3) for single individuals and for estates and
21 trusts, three and three-tenths percent on taxable income in
22 excess of two hundred fifty thousand dollars (\$250,000)."

23 SECTION 2. APPLICABILITY.--The provisions of this act
24 apply to taxable years beginning on or after January 1, 2013.