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HOUSE BILL 247

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

INTRODUCED BY

Christine Chandler

AN ACT

RELATING TO TAXATION; INCREASING CORPORATE INCOME TAX RATES.

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

SECTION 1. Section 7-2A-5 NMSA 1978 (being Laws 1981, Chapter 37, Section 38, as amended) is amended to read:

"7-2A-5. CORPORATE INCOME TAX RATES.--The corporate income tax imposed on corporations by Section 7-2A-3 NMSA 1978 shall be at the rates specified in the following tables:

~~[A. For taxable years beginning prior to January 1, 2014:~~

If the net income is:	The tax shall be:
Not over \$500,000	4.8% of net income
Over \$500,000 but not	
over \$1,000,000	\$24,000 plus
	6.4% of excess

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[bracketed material] = delete

underscored material = new
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1 over \$500,000
2 Over \$1,000,000 \$56,000
3 plus 7.6% of excess
4 over \$1,000,000.

5 B. For taxable years beginning on or after January
6 1, 2014 and prior to January 1, 2015:

7 If the net income is: The tax shall be:
8 Not over \$500,000 4.8% of net income
9 Over \$500,000 but not
10 over \$1,000,000 \$24,000 plus
11 6.4% of excess
12 over \$500,000
13 Over \$1,000,000 \$56,000
14 plus 7.3% of excess
15 over \$1,000,000.

16 C. For taxable years beginning on or after January
17 1, 2015 and prior to January 1, 2016:

18 If the net income is: The tax shall be:
19 Not over \$500,000 4.8% of net income
20 Over \$500,000 but not
21 over \$1,000,000 \$24,000 plus
22 6.4% of excess
23 over \$500,000
24 Over \$1,000,000 \$56,000
25 plus 6.9% of excess

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[bracketed material] = delete

1 ~~over \$1,000,000.~~

2 ~~D. For taxable years beginning on or after January~~
3 ~~1, 2016 and prior to January 1, 2017:~~

4	If the net income is:	The tax shall be:
5	Not over \$500,000	4.8% of net income
6	Over \$500,000 but not	
7	over \$1,000,000	\$24,000 plus
8		6.4% of excess
9		over \$500,000
10	Over \$1,000,000	\$56,000
11		plus 6.6% of excess
12		over \$1,000,000.

13 ~~E.]~~ A. For taxable years beginning on or after
14 January 1, ~~[2017]~~ 2020 and prior to January 1, ~~[2018]~~ 2021:

15	If the net income is:	The tax shall be:
16	Not over \$500,000	4.8% of net income
17	Over \$500,000 <u>but not</u>	\$24,000 plus
18	<u>over \$1,000,000</u>	[6.2%] <u>6.4%</u> of excess
19		over \$500,000
20	<u>Over \$1,000,000</u>	<u>\$56,000 plus 6.9% of</u>
21		<u>excess over \$1,000,000.</u>

22 ~~[F.]~~ B. For taxable years beginning on or after
23 January 1, ~~[2018]~~ 2021:

24	If the net income is:	The tax shall be:
25	Not over \$500,000	4.8% of net income

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underscored material = new
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1 Over \$500,000 but not \$24,000 plus
2 over \$1,000,000 [~~5.9%~~] 6.4% of excess
3 over \$500,000
4 Over \$1,000,000 \$56,000 plus 7.6% of
5 excess over \$1,000,000."

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