

1 HOUSE BILL 265

2 **50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

3 INTRODUCED BY

4 Terry H. McMillan

5
6
7
8
9
10 AN ACT

11 RELATING TO TAXATION; PROVIDING AN INCOME TAX EXEMPTION FOR ONE
12 HUNDRED PERCENT OF MILITARY RETIREMENT OR RETAINER PAY.

13
14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

15 SECTION 1. A new section of the Income Tax Act is enacted
16 to read:

17 "[NEW MATERIAL] EXEMPTION--ARMED FORCES RETIREMENT OR
18 RETAINER PAY.--

19 A. An individual who is an armed forces retiree, or
20 the surviving spouse of that retiree, may claim an exemption in
21 an amount equal to one hundred percent of military retirement
22 or retainer pay includable, except for this exemption, in net
23 income.

24 B. As used in this section, "armed forces retiree"
25 means a former member of the armed forces of the United States

.184397.1

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

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

1 who has qualified by years of service or disability to separate
2 from military service with lifetime benefits."

3 SECTION 2. APPLICABILITY.--The provisions of this act
4 apply to taxable years beginning on or after January 1, 2012.