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SENATE BILL 119

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

INTRODUCED BY

Peter Wirth

AN ACT

RELATING TO TAXATION; CREATING A FLAT CORPORATE INCOME TAX RATE.

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] RATE.--The corporate income tax imposed on corporations by Section 7-2A-3 NMSA 1978 shall be

[If the taxable income is:	The tax shall be:
Not over \$500,000	4.8% of taxable income
Over \$500,000	\$24,000 plus 5.9% of excess
	over \$500,000]

five and nine-tenths percent of taxable income."

SECTION 2. APPLICABILITY.--The provisions of this act

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

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

1 apply to taxable years beginning January 1, 2025.

2 SECTION 3. EFFECTIVE DATE.--The effective date of the
3 provisions of this act is January 1, 2025.

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