

**NEW MEXICO UNIVERSAL CHARITABLE CREDIT
(CORPORATE)**

HOUSE BILL _____

53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018

INTRODUCED BY

AN ACT

RELATING TO TAXATION; CREATING THE CORPORATE UNIVERSAL
CHARITABLE CREDIT IN THE CORPORATE INCOME TAX ACT.

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

SECTION 1. A new section of the Corporate Income and Franchise Tax
Act is enacted to read:

"[NEW MATERIAL] CORPORATE UNIVERSAL CHARITABLE CREDIT.--

A. For taxable years beginning on or after January 1, 2019, a
taxpayer that meets the requirements of this section may claim a credit
against the income tax imposed by the Corporate Income and Franchise Tax
Act which is the lesser of one thousand dollars (\$1,000.00) or the actual
corporate income tax due, for cash contributions to qualified charitable
organizations, during the same taxable year for which the credit is claimed.

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1 B. The purpose of the corporate universal charitable credit is
2 to permit taxpayers to direct a portion of their state corporate income tax
3 liability to qualified charitable organizations.

4 C. That portion of a corporate universal charitable credit that
5 exceeds a corporate taxpayer's tax liability in the taxable year in which the
6 credit is claimed shall not be refunded, transferred, or carried forward.

7 D. For the purposes of this section:

8 (1) "qualified charitable organizations" means
9 charitable organizations that are:

10 (a) exempt from federal income taxation under
11 [section 501\(c\)\(3\) of the Internal Revenue Code](#),

12 (b) incorporated in the State of New Mexico, in
13 good standing with the New Mexico Taxation and Revenue Department, and

14 (c) not under suspension per section [501\(p\) of](#)
15 [the Internal Revenue Code](#) or revocation per the [Internal Revenue Bulletin](#),
16 at the time of the contribution.

17 (2) "deduction" means a reduction in taxable income
18 pursuant to [Section 170 of the Internal Revenue Code](#) and taken for state
19 purposes.

20 (3) "department" means New Mexico Taxation and
21 Revenue Department.

22 E. A deduction shall not be allowed for amounts taken under
23 this credit.

24 F. Taxpayers taking this credit shall provide the names of the
25 qualified charitable organizations, and the dates and amounts of the
26 contributions to the department on forms provided by the department.

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1 G. Taxpayers choosing to make voluntary cash contributions
2 through umbrella charitable organizations that collect donations on behalf
3 of member charities shall designate that the donations be directed only to
4 member charitable organizations that would qualify for this credit on a
5 stand-alone basis.

6 H. The department shall:

7 (1) compile and make available to the public an online
8 list of qualified charitable organizations, and

9 (2) develop forms necessary to apply for this credit to
10 include:

11 (a) the name and taxpayer identification
12 number of the taxpayer,

13 (b) the names of the qualified charitable
14 organizations,

15 (c) the dates and amounts of the cash
16 contributions claimed as a credit,

17 (d) a section where the taxpayer may cite a
18 reason for taking the credit, and

19 (e) any other information that the department
20 requires.”