

1 SENATE BILL 272

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

3 INTRODUCED BY

4 Crystal Brantley

5
6
7
8
9
10 AN ACT

11 RELATING TO TAXATION; EXEMPTING FROM INCOME TAX THE INCOME OF
12 AN INDIVIDUAL WHO IS A FOSTER PARENT, IS A GUARDIAN OF THE
13 INDIVIDUAL'S GRANDCHILD OR HAS ADOPTED THE INDIVIDUAL'S
14 GRANDCHILD.

15
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

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

19 "[NEW MATERIAL] EXEMPTION--INCOME OF FOSTER PARENTS,
20 GUARDIAN GRANDPARENTS AND ADOPTIVE GRANDPARENTS.--

21 A. The income of an individual who, during the
22 entire taxable year, is a foster parent of a child, is a
23 guardian of the individual's grandchild or has adopted the
24 individual's grandchild is exempt from state income tax for
25 that taxable year; provided that the child or grandchild has

.229958.2

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

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

1 not reached eighteen years of age during the taxable year.

2 B. The exemption provided by this section shall be
3 included in the tax expenditure budget pursuant to Section
4 7-1-84 NMSA 1978, including the annual aggregate cost of the
5 exemption.

6 C. As used in this section:

7 (1) "foster parent" means a person licensed or
8 certified by the children, youth and families department or a
9 child placement agency to provide care for children in the
10 custody of the department or agency; and

11 (2) "guardian" means a person appointed as a
12 guardian pursuant to the Kinship Guardianship Act."

13 SECTION 2. APPLICABILITY.--The provisions of this act
14 apply to taxable years beginning on or after January 1, 2025.