

LFC Requester:

Faubion

AGENCY BILL ANALYSIS  
2023 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

[LFC@NMLEGIS.GOV](mailto:LFC@NMLEGIS.GOV)

and

[DFA@STATE.NM.US](mailto:DFA@STATE.NM.US)

*{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

Check all that apply:

Original  Amendment   
Correction  Substitute

Date 1/23/23

Bill No: SB28

Sponsor: Brandt  
Short Title: TEACHER SCHOOL SUPPLY  
PURCHASE TAX DEDUCTION

Agency Name and Code PED-924  
Number:  
Person Writing Gregory Frostad  
Phone: (505) 470-5752 Email Gregory.Frostad@ped.nm.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
None	None	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY23	FY24	FY25		
None	None	None	N/A	NFI

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected

<b>Total</b>	None	None	None	None	N/A	NFI
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(Parenthesis ( ) Indicate Expenditure Decreases)

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

##### Synopsis:

Senate Bill 28 (SB28) adds a new section to the Income Tax Act to allow licensed teachers to claim on their state tax returns deductions from net income for school supplies purchased for student use, not to exceed of \$500 in 2023 and \$1,000 in subsequent years.

#### **FISCAL IMPLICATIONS**

SB28 does not contain an appropriation.

#### **SIGNIFICANT ISSUES**

SB28 may enhance recruitment of New Mexico public school teachers. SB28 initiates substantial state income tax deductions for teachers that far exceed deductions they can claim on federal income tax returns. SB28's deductions limit of \$500 in 2023 exceeds federal teacher school supply deductions by \$200 (167 percent).

The bill contains a section-specific definition for "school supplies," which means items purchased by a public school teacher and used by that teacher's students in the teacher's classroom for educational purposes. Supplies may include a wide variety of items, including notebooks, writing instruments, art supplies, watches, radios, digital music players, telephones and other telecommunication devices, copiers and other office equipment, and furniture. Computers and similar digital devices are not included.

#### **PERFORMANCE IMPLICATIONS**

In order to "ensure every child has well prepared, well supported, highly effective educators," [PED Strategic Plan](#) includes recruitment objectives to (a) increase the number of licensed teachers in New Mexico and (b) increase the number of teachers who represent culturally and linguistically diverse communities they serve.

#### **RELATIONSHIP**

N/A

#### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

N/A