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CITY OF SANTA FE, NEW MEXICO

RESOLUTION NO. 2020-3

INTRODUCED BY:

Mayor Alan Webber

Councilor Chris Rivera Councilor JoAnne Vigil Coppler
Councilor Renee Villarreal Councilor Signe I. Lindell

A RESOLUTION

**URGING THE NEW MEXICO STATE LEGISLATURE TO REPEAL THE STATE TAX
ON SOCIAL SECURITY BENEFITS FOR NEW MEXICO SENIORS.**

WHEREAS, in 1990 the New Mexico Legislature passed Senate Bill 310, which expanded New Mexico's definition of "modified gross income" to include Social Security benefits, causing them to be considered taxable income by the State of New Mexico; and

WHEREAS, this legislation continues to harm Santa Fe's and New Mexico's seniors who rely on Social Security income to survive; and

WHEREAS, taxing Social Security benefits is a form of double taxation because when it is deducted from paychecks it is subject to state and federal taxes; and

WHEREAS, New Mexico is one of only thirteen states that levies an income tax on Social Security payments to some beneficiaries and has the second highest tax on Social Security benefits in the nation; and

WHEREAS, those residents of Santa Fe receiving Social Security benefits are seniors that, in many cases, have contributed greatly to the community thorough volunteer work and

1 advocacy; and

2 **WHEREAS**, many residents receiving Social Security benefits are experiencing poverty
3 and would benefit greatly from the additional funds available by not taxing these benefits; and

4 **WHEREAS**, Santa Fe is an age-friendly city, a community that honors and respects the
5 contributions of seniors to society; and

6 **WHEREAS**, Santa Fe wishes to encourage people of all ages to move to Santa Fe, and
7 New Mexico more broadly, and repealing this tax would add to the attraction the City and State
8 already offer; and

9 **WHEREAS**, the tax on Social Security benefits disproportionately impacts fixed income
10 residents – those residents of Santa Fe who need those benefits the most; and

11 **WHEREAS**, recipients of Social Security benefits worked their careers with the promise
12 and expectation that their needs in retirement would be at least partially provided for by Social
13 Security; and

14 **WHEREAS**, taxing Social Security benefits undermines the purpose of the Social
15 Security Act, which was designed to lift seniors out of poverty, not to fund State government; and


16 **WHEREAS**, ensuring more money remains in the pockets of the City's residents is
17 expected to result in less need for government support of lower-income seniors and additional
18 taxes from increased consumer spending that will provide enhanced benefits for all residents.

19 **NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE**
20 **CITY OF SANTA FE** urges the New Mexico State Legislature to enact legislation repealing the
21 State tax on Social Security benefits that has created an undue burden on New Mexico's seniors
22 since its enactment in 1990.

23 **BE IT FURTHER RESOLVED** that the City Clerk is directed to transmit a copy of this
24 Resolution to Santa Fe Legislative Delegation.

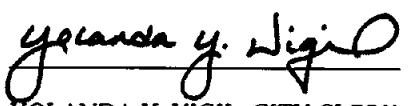
25 **PASSED, APPROVED, and ADOPTED** this 8th day of January, 2020.

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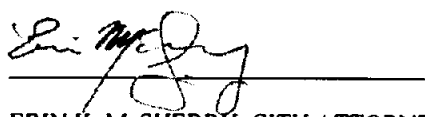
ALAN M. WEBBER, MAYOR

ATTEST:



YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:



ERIN K. McSHERRY, CITY ATTORNEY