TITLE 3: **TAXATION**
CHAPTER 3: **PERSONAL INCOME TAXES**
PART 3: **IMPOSITION AND LEVY OF TAX**

3.3.3.1 **ISSUING AGENCY**: Taxation and Revenue Department, Joseph M. Montoya Building, 1100 South St. Francis Drive, P.O. Box 630, Santa Fe NM 87504-0630
[1/15/97; 3.3.3.1 NMAC - Rn, 3 NMAC 3.3.1, 12/14/00]

3.3.3.2 **SCOPE**: This part applies to each resident of New Mexico and to each nonresident employed or engaged in the transaction of business in, into or from New Mexico or deriving any income from any property or employment in New Mexico.
[1/15/97; 3.3.3.2 NMAC - Rn, 3 NMAC 3.3.2, 12/14/00]

3.3.3.3 **STATUTORY AUTHORITY**: Section 9-11-6.2 NMSA 1978.
[1/15/97; 3.3.3.3 NMAC - Rn, 3 NMAC 3.3.3, 12/14/00]

3.3.3.4 **DURATION**: Permanent.
[1/15/97; 3.3.3.4 NMAC - Rn, 3 NMAC 3.3.4, 12/14/00]

3.3.3.5 **EFFECTIVE DATE**: 1/15/97, unless a later date is cited at the end of a section, in which case the later date is the effective date.
[1/15/97; 3.3.3.5 NMAC - Rn & A, 3 NMAC 3.3.5, 12/14/00]

3.3.3.6 **OBJECTIVE**: The objective of this part is to interpret, exemplify, implement and enforce the provisions of the Income Tax Act.
[1/15/97; 3.3.3.6 NMAC - Rn, 3 NMAC 3.3.6, 12/14/00]

3.3.3.7 **DEFINITIONS**: "Nonresident trust" defined. A trust is a nonresident trust if the trustee responsible for the trust funds and for distributions from the fund is a resident of another state. A nonresident trust is subject to New Mexico income tax to the extent that it is engaged in the transaction of business in, into or from this state or is deriving income from any property located in this state. The presence of beneficiaries of the trust in New Mexico, alone, will not cause a tax liability to become due from the trust based on the activities of the trust. Beneficiaries who are residents of this state will incur a tax liability on their share of distributions from the trust to the extent that such distributions are subject to income taxation under the provisions of the Internal Revenue Code.
[7/20/90, 3/16/92, 1/15/97; 3.3.3.7 NMAC - Rn, 3 NMAC 3.3.7, 12/14/00]