

**Opinion No. 34-762**

May 23, 1934

**BY:** E. K. NEUMANN, Attorney General

**TO:** Mr. L. D. Sparks, Income Tax Collector, State Tax Commission, Santa Fe, New Mexico.

{\*133} With reference to your letter of May 19, 1934 relating to exemptions, under the State Income Tax Law, of such sums of money received by persons in the employ of the State as compensation for such services under the various Federal Relief organizations.

If such compensation is paid out of state funds to others than officers, as defined by this office in previous opinions, such income is taxable, regardless of the fact that it originally came from the Federal Government. If such compensation is paid by Federal check or directly through the Government as paymaster such amounts would not be taxable.

As I understand the matter the funds are allotted to the state and the state makes all contracts and payments in relation thereto.