

Opinion No. 35-885

February 6, 1935

BY: FRANK H. PATTON, Attorney General

TO: State Tax Commission, Santa Fe, New Mexico. Attention: Mr. L. D. Sparks.

{*40} You inquire in your letter of February 6th if gross income tax paid to the state of Indiana is allowable as a direct offset against the amount of income tax due to the state of New Mexico.

Section 39 of Chapter 85 of the Laws of 1933, which is the provision for offset, applies to ad valorem taxes paid to the state of New Mexico or to any political subdivision and municipal corporation of this state upon real and personal property in this state.

The answer to your question is, therefore, in the negative.

However, under Section 7 of said Chapter 85 in computing net income taxes paid within the taxable year are deductible. It is therefore possible that the reporting tax payer which you have in mind may come under the latter provision.