

AN ACT

RELATING TO TAXATION; AMENDING A SECTION OF THE GROSS RECEIPTS AND COMPENSATING TAX ACT PERTAINING TO A GROSS RECEIPTS TAX DEDUCTION FOR PROCESSING AND OTHER HANDLING AND TREATMENT OF AGRICULTURAL PRODUCTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 7-9-59 NMSA 1978 (being Laws 1969, Chapter 144, Section 49, as amended) is amended to read:

"7-9-59. DEDUCTION--GROSS RECEIPTS TAX--WAREHOUSING, THRESHING, HARVESTING, GROWING, CULTIVATING AND PROCESSING AGRICULTURAL PRODUCTS.--

A. Receipts from warehousing grain or other agricultural products may be deducted from gross receipts.

B. Receipts from threshing, cleaning, growing, cultivating or harvesting agricultural products, including the ginning of cotton, testing and transporting milk for the producer or nonprofit marketing association from the farm to a milk processing or dairy product manufacturing plant or processing for growers, producers or nonprofit marketing associations of agricultural products raised for food and fiber, including livestock, may be deducted from gross receipts."

Section 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2000. \_\_\_\_\_