Exemptions, Deductions, Exclusions and Credits Under the Gross Receipts and Compensating Tax Act

Statute	Description<1><6><7>	Taxed Under Other Statutes	Pre-empted by Federal Law <5>	Avoiding Multiple Taxation		Transactions Involving Non- Profits	Ease of Admini- stration and Definition of Tax Base	Exclusions for "Merit Goods"	Tax Preference <4>	Equalizing Treatment with Similar Transactions
7-9-3	Exclusions from the defined GRT Base:									
	Time-price differential (interest)						+			
	Receipts in an agency capacity						+			
	Cash discounts						+			
	Gross receipts tax, Governmental gross receipts tax, Leased vehicle gross receipts tax and local option GR taxes	+					+			
	Similar taxes imposed by an Indian tribe	+		+			+			
	N.M. Florists' receipts for delivering flowers when orders were placed with an out-of-state florist			+						+
7-9-3.2	Exclusions from the Governmental gross receipts tax base:									
	Any government services not explicitly included				+					
	Textbook sales at public post-secondary schools				+			+		
7-9-4.3	Exclusion-GGRT: School districts and health care entities				+			+		
7-9-7.1	Estoppel from collecting from individuals on property for non-business uses (except manufactured homes)						+			
7-9-13	Exemption: U.S. and N.M. government receipts except local gas and electric utilities and cable TV systems; Foreign governments with tax treaty in force; Receipts of an Indian tribe on its sovereign territory				+					
7-9-13.1	Exemption: Out-of-state services first used in N.M. except research and development; R&D services between affiliates; R&D sold to or by Sandia National Labs									
7-9-13.2	ExemptionGGRT if any of several other taxes imposed	+								
7-9-13.3	Exemption: Stadium receipts where a stadium surcharge is imposed<2>	+								
7-9-13.4	Exemption: Textbooks required by a public post-secondary school sold by a contract bookstore							+		
7-9-14	Exemption-Compensating tax: Property used by U.S. or N.M. governments except construction materials; property used by Indian tribes or pueblos on reservations or pueblo grants				+					
7-9-15	Exemption-Compensating tax: Property used by 501(c)(3) non-profits except construction materials					+				
7-9-16	Exemption: Nonprofit accomodations for the elderly					+				

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7-9-17	Exemption: Wages and salaries	+					+			
7-9-18	Exemption: Livestock & unprocessed agricultural products <2>			+						
7-9-18.1	Exemption: Food stamps		+		+					
7-9-19	Exemption: Feeding, training or pasturing livestock; penning or handling livestock prior to sale			+						
7-9-20	Exemption: Receipts of homeowners associations					+				
7-9-22	Exemption: Vehicles subject to Motor Vehicle Excise Tax	+								
7-9-22.1	Exemption: Boats subject to boat excise tax	+								
7-9-23	Exemption-Compensating tax: Vehicles subject to motor vehicle excise tax	+								
7-9-23.1	Exemption-Compensating tax: Boats subject to boat excise tax	+								
7-9-24	Exemption: Insurance premiums and bail bonds	+					+			
7-9-25	Exemption: Dividends and interest	+								
7-9-26	Exemption: Gasoline, special fuel and alternative fuel <3>	+								
7-9-26.1	Exemption: Fuel sold for space vehicles <3>								+	
7-9-27	Exemption-Compensating tax: Personal effects						+			
7-9-28	Exemption: Occasional sales						+			
7-9-29	Exemption: Non-profits [501(c)(3) and certain activities of 501(c)(6)] other than unrelated business income					+				
7-9-30	Exemption-Compensating tax: Railroad equipment; commercial aircraft and space vehicles			+						
7-9-31	Exemption: Resales by an armed forces instrumentality <3>				+					
7-9-32	Exemption: Oil, gas and mineral interests	+								
7-9-33(A)	Exemption: Products subject to the Oil & Gas Emergency School Tax	+								
7-9-33(B)	Exemption: Storing or using oil and gas on a production unit			+						
7-9-34(A)	Exemption: Sale or processing of products subject to the Natural Gas Processors Tax	+								
7-9-34(B)	Exemption: Storing or using oil and gas in the refining business<3>			+						
7-9-35	Exemption: Natural resources subject to the Resources Excise Tax	+								
7-9-36	Exemption: Pipeline fuel			+						

Exemptions, Deductions, Exclusions and Credits Under the Gross Receipts and Compensating Tax Act

Statute	Description<1><6><7>	Taxed Under Other Statutes	Pre-empted by Federal Law <5>	Avoiding Multiple Taxation	Transactions involving a Government	Transactions Involving Non- Profits	Ease of Admini- stration and Definition of Tax Base	Exclusions for "Merit Goods"	Tax Preference <4>	Equalizing Treatment with Similar Transactions
7-9-37	Exemption-Compensating tax: Pipeline fuel			+						
7-9-38	Exemption-Compensating tax: Electricity used in the production and transmission of electricity			+						
7-9-38.1	Exemption: Telecommunications services subject to the ITGRT	+								
7-9-38.2	Exemption: Mobile telecommunication services sold to persons with an out-of-state primary place of use		+				+			
7-9-39	Exemption: Dues of social, fraternal, political, trade, labor or professional non-profits, business or civic leagues					+				
7-9-40	Exemption: Racetrack purses and commissions	+								
7-9-41	Exemption: Certain receipts of ministers of 501(c)(3)					+				
7-9-46	Deduction: Property for manufacturing ingredients <2>			+						
7-9-47	Deduction: Property or license for resale <2>			+						
7-9-48	Deduction: Services for resale when the resale is subject to GRT <2>			+						
7-9-49	Deduction: Property and licenses sold for subsequent lease			+						
7-9-50	Deduction: Lease of property or licenses for subsequent lease			+						
7-9-51	Deduction: Materials incorporated in construction projects that are subject to GRT or are on Indian lands			+						
7-9-52	Deduction: Construction services to construction projects that are subject to GRT or are on Indian lands			+						
7-9-53	Deduction: Sale or lease of real property or lease of manufactured homes	+								
7-9-54	Deduction: Property to the U.S. or N.M. government or to an Indian tribe or pueblo except construction materials <2>				+					
7-9-54.1	Deduction: Aerospace R&D services for resale to the U.S. Air Force				+					
7-9-54.2	Deduction: Spaceport operations								+	
7-9-54.3	Deduction: Wind energy generation equipment sold to the U.S. or N.M. government				+			+		
7-9-55	Deduction: Interstate commerce <2>		+							
7-9-56	Deduction: Intrastate transportation as part of an interstate transportation transaction						+			
7-9-56.1	Deduction: Internet services			+						

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7-9-56.2	Deduction: Hosting worldwide website			+						
7-9-57	Deduction: Services sold to an out-of-state buyer delivered and first used out of state			+						
7-9-57.1	Deduction: Property & services sold through a worldwide website to an out-of-state billing address			+						
7-9-57.2	Deduction: Software development services in a rural area								+	
7-9-58	Deduction: Certain sales to farmers and ranchers			+						
7-9-59	Deduction: Certain agricultural services			+						
7-9-60	Deduction: Property to a 501(c)(3) except construction material <2>					+				
7-9-61.1	Deduction: Loan origination fees						+			
7-9-61.2	Deduction: Property to state-chartered credit unions									+
7-9-62	Deduction: 50% of agricultural implements; vehicles not registered under the motor vehicle code; aircraft and farm tractors; aircraft sold by manufacturers			+					+	+
7-9-62.1	Deduction: Certain services on transport aircraft			+					+	
7-9-63	Deduction: Publishing newspapers or magazines except advertising space									+
7-9-64	Deduction: Newspaper sales except advertising space									+
7-9-65	Deduction: Certain chemicals or reagents			+						
7-9-66	Deduction: Commissions on property not subject to GRT	+								
7-9-66.1	Deduction: Real estate commissions on transactions subject to the GRT			+						
7-9-67	Deduction: Refunds, allowances and uncollectible debts <2>						+			
7-9-68	Deduction: Manufacturer's warranty obligations			+						
7-9-69	Deduction: Certain services to an affiliated corporation			+						
7-9-70	Deduction: Leasing certain vehicles used in interstate transportation									
7-9-71	Deduction: Trade-in allowance						+			
7-9-73	Deduction: Prosthetic devices to medical practitioners <2>			+						
7-9-73.1	Deduction: 50% of hospital receipts							+		
7-9-73.2	Deduction: Prescription drugs <2>							+		
7-9-74	Deduction: Property incorporated in jewelry			+						

Exemptions, Deductions, Exclusions and Credits Under the Gross Receipts and Compensating Tax Act

Statute	Description<1><6><7>	Taxed Under Other Statutes	Pre-empted by Federal Law <5>	Avoiding Multiple Taxation	Transactions involving a Government	Transactions Involving Non- Profits	Ease of Admini- stration and Definition of Tax Base	Exclusions for "Merit Goods"	Tax Preference <4>	Equalizing Treatment with Similar Transactions
7-9-75	Deduction: Certain services to a manufacturer			+						
7-9-76	Deduction: Certain travel agents' commissions								+	
7-9-76.1	Deduction: Manufactured home previously taxed			+						+
7-9-76.2	Deduction: leasing and licensing theatrical tapes			+						
7-9-77	Deduction-Compensating tax: 50% of agricultural implements, farm tractors; vehicles not registered under the motor vehicle code; aircraft			+						+
7-9-77.1	Deduction: Certain medical services financed by the Medicare and Tricare programs				+			+		
7-9-78	Deduction-Compensating tax: Property for subsequent lease			+						
7-9-78.1	Deduction-Compensating tax: Uranium enrichment equipment			+					+	
7-9-79	Credit-Compensating tax: Similar tax paid to another state; Credit (GRT): compensating tax paid on ingredients and construction services in a construction project subject to GRT	+		+						
7-9-79.1	Credit: Similar tax on services performed outside the state	+		+						
7-9-82	Credit: Up to 0.5% of certain Municipal GRT paid	+			+					
7-9-83	Deduction: 55% of jet fuel								+	
7-9-84	Deduction-Compensating tax: 55% of jet fuel								+	
7-9-85	Deduction: Up to 2 fundraisers of 501(c) other than 501(c)(3)					+				
7-9-86	Deduction: Sales to a film production company								+	
7-9-87	Deduction: Lottery tickets and retailers' commissions	+								
7-9-88	Credit: Similar tax paid to Santa Clara pueblo			+						
7-9-88.1	Credit: Similar tax paid to a tribal government			+						
7-9-88.2	Credit: Similar tax paid to the Navajo Nation on coal			+						
7-9-89	Deduction: Sales to diplomats		+		+					
7-9-90	Deduction: Enriched uranium								+	
7-9-91	Deduction-Compensating tax: Inventory donated to a 501(c)(3); to the U.S. or N.M. government; to Indian tribes or pueblos for use on the reservation or pueblo grant				+	+				
7-9A	Investment credit for manufacturers								+	
7-9D	Call center equipment credit								+	
7-9E	Laboratory small business credit								+	

Exemptions, Deductions, Exclusions and Credits Under the Gross Receipts and Compensating Tax Act

		Taxed Under Other	Pre-empted	Avoiding Multiple	Transactions involving a			Exclusions for "Merit	Tax Preference	Equalizing Treatment with Similar
Statute	Description<1><6><7>	Statutes	Law <5>	Taxation	Government	_	Tax Base	Goods"	<4>	Transactions
7-9F	Technology jobs tax credit								+	
7-2E	Rural jobs tax credit								+	
Laws 2003, Ch. 232	Deduction: Border trade support companies								+	
Laws 2003, Ch. 62	Deduction-Compensating tax: Space-related test articles								+	
Notes:										

- <1> Except where noted, the exemption or deduction applies to "Receipts from the sale of" the specified items or services. Except where noted, the term "property" refers to "tangible personal property."
- <2> Applies for both the GRT and the GGRT
- <3> Applies for both the GRT and the Compensating tax
- <4> Category of "Tax Preferences" includes provisions intended to foster economic development as well as provisions intended to reduce an excessive tax burden on particular industries.
- <5> Additional preemptions under federal law:
 - -- sales to Indians on their tribal lands; receipts of Indian traders trading with a tribe on tribal land; receipts of Indian businesses within their tribe's territory.
 - -- receipts of federal and state chartered credit unions <3>.
 - -- local taxes on direct satellite services.
 - -- job corps contractors <3>.
- <6> Exemptions applying to local option taxes only: transportation of persons or property across municipal or county lines; municipal tax: businesses on muni-owned land outside municipal boundaries.
- <7> Certain exemptions and deductions apply only to the Leased vehicle Gross Receipts Tax, Governmental Gross Receipts Tax, and Interstate Telecommunications Tax which are not shown in the table.