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HOUSE BILL 470

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

Pauline J. Ponce

AN ACT

RELATING TO TAXATION; PERMITTING A GROSS RECEIPTS TAX DEDUCTION
FOR CERTAIN SALES TO MANUFACTURERS WITHOUT DELIVERY OF A
NONTAXABLE TRANSACTION CERTIFICATE.

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

Section 1. Section 7-9-46 NMSA 1978 (being Laws 1969,
Chapter 144, Section 36, as amended) is amended to read:

"7-9-46. DEDUCTION--GROSS RECEIPTS TAX--GOVERNMENTAL
GROSS RECEIPTS--SALES TO MANUFACTURERS.--

A. Receipts from selling tangible personal property
may be deducted from gross receipts or from governmental gross
receipts if the sale is made to a person engaged in the
business of manufacturing who ~~[delivers a nontaxable
transaction certificate to the seller. The buyer delivering
the nontaxable transaction certificate]~~ is a registered

underscored material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 taxpayer. The buyer must incorporate the tangible personal
2 property as an ingredient or component part of the product that
3 he is in the business of manufacturing.

4 B. As used in this section, "registered taxpayer"
5 means a person engaging in business in New Mexico who is
6 registered with the department for the purpose of reporting and
7 paying gross receipts, compensating and withholding tax."

8 Section 2. APPLICABILITY.--The provisions of this act
9 apply to transactions occurring on or after July 1, 2003.