

sale (POS) registers or electronic devices at a bookstore owned or operated by a public post-secondary educational institution when the registers or devices are utilized in the sale of textbooks or other materials required for courses at the institution to a student enrolled at the institution who displays a valid student identification card". This effectively means no governmental gross receipts tax would be due on sales of textbooks or required materials. Currently, in order for college or university bookstores to not be subject to governmental gross receipts tax on bookstore sales, they must close their bookstores to the general public during "book week" and limit admittance to those with a valid student ID.

Significant Issues

Twenty-five percent (25%) of the GGRT is dedicated, by statute to the Energy, Minerals and Natural Resources Department for payment of bonds and Youth Conservation Corps (YCC) projects. Of the 25% distribution, 60% is appropriated to the EMNRD for state park and recreation area capital improvements and 40% is appropriated to the YCC for the funding of projects that employ youth and at the same time improve New Mexico's natural and community resources.

FISCAL IMPLICATIONS

On average, full-time university students spend almost \$400 per year on textbooks, while students in the two-year colleges spend an average of almost \$260 per year. However, college and university bookstores currently close their doors to the general public during "book week" and limit admittance to those with a valid student ID. In this manner the bookstores avoid governmental gross receipts tax on these sales. Sales of textbooks and other tangible property outside this time period are taxable, however.

SN/yr