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## HOUSE BILL 19

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

Ray Begaye

## AN ACT

RELATING TO TAXATION: ALLOWING THE FINANCING OF ECONOMIC DEVELOPMENT INITIATIVES BY ELIMINATING THE DUAL TAXATION OF SPECIAL FUEL ON TRIBAL LAND; ENACTING A SECTION OF THE SPECIAL FUELS SUPPLIER TAX ACT.

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

Section 1. A new section of the Special Fuels Supplier Tax Act is enacted to read:

"[NEW MATERIAL] DEDUCTION--CERTAIN RETAIL SALES ON AN INDIAN RESERVATION, PUEBLO GRANT OR TRUST LAND. -- In computing the special fuel excise tax due, a person may deduct from the total amount of special fuel received in New Mexico during the tax period, provided satisfactory proof is provided to the department, special fuel received in New Mexico and sold at retail in New Mexico if:

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- the sale occurs on an Indian reservation, pueblo A. grant or trust land;
- the special fuel is placed into the fuel supply tank of a motor vehicle on that reservation, pueblo grant or trust land:
- C. the Indian nation, tribe or pueblo has certified to the department that it has in effect an excise, privilege or similar tax on special fuel; provided that the gallons of special fuel deducted pursuant to this section shall be the total gallons sold in accordance with the provisions of this section multiplied by a fraction, the numerator of which is the rate of the tribal special fuel tax certified to the department by the Indian nation, tribe or pueblo and the denominator of which is the rate of the special fuel excise tax imposed pursuant to the Special Fuels Supplier Tax Act, but, if the fraction exceeds one, the fraction shall be deemed to be one for purposes of determining the deduction; and
- the person is subject to and in compliance with the tax on special fuel imposed by the Indian nation, tribe or pueblo where the sale occurs."

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