

HOUSE BILL 203

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY

Ben Lujan

AN ACT

RELATING TO TAXATION; AMENDING THE LEASED VEHICLE GROSS RECEIPTS TAX ACT TO EXEMPT TEMPORARY REPLACEMENT VEHICLES FROM THE LEASED VEHICLE SURCHARGE.

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

Section 1. Section 7-14A-3.1 NMSA 1978 (being Laws 1993, Chapter 359, Section 1) is amended to read:

"7-14A-3.1. IMPOSITION AND RATE--LEASED VEHICLE SURCHARGE.--

A. Except as provided in Subsection B of this section, there is imposed a surcharge on the leasing of a vehicle to another person by a person engaging in business in New Mexico if the lease is subject to the leased vehicle gross receipts tax. The amount of this surcharge is two dollars (\$2.00) for each day ~~each~~ the vehicle is leased by the

.163619.2

underscored material = new
[bracketed material] = delete

underscoring material = new
[bracketed material] = delete

1 person. The surcharge may be referred to as the "leased
2 vehicle surcharge".

3 B. The leased vehicle surcharge imposed in
4 Subsection A of this section shall not apply to the lease of a
5 temporary replacement vehicle if the lessee signs a statement
6 that the temporary replacement vehicle is to be used as a
7 replacement for another vehicle that is being repaired,
8 serviced or replaced. For the purposes of this section,
9 "temporary replacement vehicle" means a vehicle that is:

10 (1) used by an individual in place of another
11 vehicle that is unavailable for use by the individual due to
12 loss, damage, mechanical breakdown or need for servicing; and

13 (2) leased temporarily by or on behalf of the
14 individual or loaned temporarily to the individual by a vehicle
15 repair facility or dealer while the other vehicle is being
16 repaired, serviced or replaced."

17 Section 2. EFFECTIVE DATE.--The effective date of the
18 provisions of this act is July 1, 2007.