

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

SENATE BILL 88

**49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009**

INTRODUCED BY

Steven P. Neville

AN ACT

RELATING TO TAXATION; AMENDING THE GROSS RECEIPTS AND  
COMPENSATING TAX ACT TO EXPAND THE DEFINITION OF RETAIL FOOD  
STORE FOR PURPOSES OF THE DEDUCTION FOR RECEIPTS FROM THE SALE  
OF FOOD.

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

Section 1. Section 7-9-92 NMSA 1978 (being Laws 2004,  
Chapter 116, Section 5) is amended to read:

"7-9-92. DEDUCTION--GROSS RECEIPTS--SALE OF FOOD AT  
RETAIL FOOD STORE.--

A. Receipts from the sale of food at a retail food  
store that are not exempt from gross receipts taxation and are  
not deductible pursuant to another provision of the Gross  
Receipts and Compensating Tax Act may be deducted from gross  
receipts. The deduction provided by this section shall be

.174958.1

underscoring material = new  
[bracketed material] = delete

underscored material = new  
[bracketed material] = delete

1 separately stated by the taxpayer.

2 B. For the purposes of this section:

3 (1) "food" means any food or food product for  
4 home consumption that meets the definition of food in 7 USCA  
5 2012(g)(1) for purposes of the federal food stamp program; and

6 (2) "retail food store" means an establishment  
7 that sells food for home preparation and consumption and that  
8 meets the definition of retail food store in 7 USCA 2012(k)(1)  
9 for purposes of the federal food stamp program, whether or not  
10 the establishment participates in the food stamp program;  
11 provided, however, that if more than seventy-five percent of  
12 the total sales of the establishment consists of bottled water,  
13 ice and coffee, the establishment shall be considered a "retail  
14 food store" for the purposes of this section."

15 Section 2. EFFECTIVE DATE.--The effective date of the  
16 provisions of this act is July 1, 2009.