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SENATE BILL 1

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

INTRODUCED BY

Dede Feldman

AN ACT

RELATING TO TAXATION; MAKING REVENUE FROM CERTAIN UNTAXED
INSURANCE ADMINISTRATIVE SERVICES SUBJECT TO THE GROSS RECEIPTS
TAX; AMENDING A SECTION OF THE NEW MEXICO INSURANCE CODE.

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

Section 1. Section 7-9-24 NMSA 1978 (being Laws 1969,
Chapter 144, Section 17, as amended) is amended to read:

"7-9-24. EXEMPTION--GROSS RECEIPTS TAX--INSURANCE
COMPANIES--BAIL BONDS.--Exempted from the gross receipts tax
are:

A. the receipts of insurance companies or any agent
thereof from premiums; provided that this exemption does not
apply to receipts from administrative services only contracts;
and

B. any consideration received by a property

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underscored material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 bondsman, as that person is defined in Section 59A-51-2 NMSA
2 1978, as security or surety for a bail bond in connection with
3 a judicial proceeding."

4 Section 2. Section 59A-6-6 NMSA 1978 (being Laws 1984,
5 Chapter 127, Section 106, as amended) is amended to read:

6 "59A-6-6. PREEMPTION AND IN LIEU PROVISION.--

7 A. The state government of New Mexico preempts the
8 field of taxation of insurers, nonprofit health care plans,
9 health maintenance organizations, prepaid dental plans,
10 prearranged funeral plans and insurance agents and solicitors
11 as such, and payment of the taxes, licenses and fees provided
12 for in the Insurance Code shall be in lieu of all other taxes,
13 licenses and fees [~~of every kind now or hereafter~~] imposed by
14 this state or any political subdivision thereof on any of the
15 foregoing specified entities, [~~excepting the regular state,
16 county and city taxes on property located in New Mexico
17 excepting the~~] except:

18 (1) property taxes imposed pursuant to the
19 Property Tax Code;

20 (2) gross receipts taxes and local option
21 gross receipts taxes on receipts of insurers for administrative
22 services only contracts; and

23 (3) income tax on agents and solicitors.

24 B. As used in this section, "agent" does not
25 include insurance adjusters.

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