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HOUSE BILL 72

55TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2022

INTRODUCED BY

Matthew McQueen and Jason C. Harper

AN ACT

RELATING TO TAXATION; CLARIFYING THAT RECEIPTS FROM THE SALE OF
TICKETS OR SERVICES FOR TRANSPORTING ANY PERSON INTO OR NEAR
SPACE MAY NOT BE DEDUCTED PURSUANT TO A GROSS RECEIPTS TAX
DEDUCTION FOR CERTAIN SPACE AND SPACEPORT SERVICES.

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

SECTION 1. Section 7-9-54.2 NMSA 1978 (being Laws 1995,
Chapter 183, Section 2, as amended) is amended to read:

"7-9-54.2. GROSS RECEIPTS--DEDUCTION--SPACEPORT
OPERATION--SPACE OPERATIONS--LAUNCHING, OPERATING AND
RECOVERING SPACE VEHICLES OR PAYLOADS--PAYLOAD SERVICES--
OPERATIONALLY RESPONSIVE SPACE PROGRAM SERVICES.--

A. Receipts from launching, operating or recovering
space vehicles or payloads in New Mexico, except for the sale
of tickets or services for transporting any person into or near

underscored material = new
[bracketed material] = delete

1 space, may be deducted from gross receipts.

2 B. Receipts from preparing a payload in New Mexico
3 are deductible from gross receipts.

4 C. Receipts from operating a spaceport in New
5 Mexico are deductible from gross receipts.

6 D. Receipts from the provision of research,
7 development, testing and evaluation services for the United
8 States air force operationally responsive space program may be
9 deducted from gross receipts.

10 E. As used in this section:

11 (1) "operationally responsive space program"
12 means a program authorized pursuant to 10 U.S.C. 2273a;

13 (2) "payload" means a system, subsystem or
14 other mechanical structure or material to be conveyed into
15 space that is designed, constructed or intended to perform a
16 function in space;

17 (3) "space" means any location beyond
18 altitudes of sixty thousand feet above the earth's mean sea
19 level;

20 (4) "space operations" means the process of
21 commanding and controlling payloads in space; and

22 (5) "spaceport" means an installation and
23 related facilities used for the launching, landing, operating,
24 recovering, servicing and monitoring of vehicles capable of
25 entering or returning from space.

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underscoring material = new
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F. Receipts from the sale of tangible personal property that will become an ingredient or component part of a construction project or from performing construction services may not be deducted under this section."