

AN ACT
RELATING TO TAXATION; CHANGING THE RATE OF THE RESOURCES TAX
AND THE PROCESSORS TAX ON COPPER; AMENDING, REPEALING AND
ENACTING SECTIONS OF THE NMSA 1978.

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

Section 1. Section 7-25-4 NMSA 1978 (being Laws 1966,
Chapter 48, Section 4, as amended) is amended to read:

"7-25-4. RATE AND MEASURE OF TAX--DENOMINATION AS
"RESOURCES TAX".--

A. For the privilege of severing natural
resources, there is imposed on any severer of natural
resources in New Mexico an excise tax at the following rates
on the taxable value of the natural resources:

- (1) all natural resources except potash,
molybdenum and copper, three-fourths of one percent;
- (2) potash, one-half of one percent;
- (3) molybdenum, one-eighth of one percent;

and

- (4) copper, one-fourth of one percent.

B. The tax imposed by this section shall be
referred to as the "resources tax".

Section 2. Section 7-25-4 NMSA 1978 (being Laws 1966,
Chapter 48, Section 4, as amended and as further amended by
Section 1 of this act) is repealed and a new Section 7-25-4
NMSA 1978 is enacted to read:

"7-25-4. RATE AND MEASURE OF TAX--DENOMINATION AS
"RESOURCES TAX".--

A. For the privilege of severing natural
resources, there is imposed on any severer of natural

resources in New Mexico an excise tax at the following rates on the taxable value of the natural resources:

- (1) all natural resources except potash and molybdenum, three-fourths of one percent;
- (2) potash, one-half of one percent; and
- (3) molybdenum, one-eighth of one percent.

B. The tax imposed by this section shall be referred to as the "resources tax".

Section 3. Section 7-25-5 NMSA 1978 (being Laws 1985 (1st S.S.), Chapter 3, Section 2) is amended to read:

"7-25-5. RATE AND MEASURE OF TAX--DENOMINATION AS "PROCESSORS TAX".--

A. For the privilege of processing natural resources, there is imposed on any processor of natural resources in New Mexico an excise tax at the following rates on the taxable value of the natural resource:

- (1) all natural resources except timber, potash, molybdenum and copper, three-fourths of one percent;
- (2) timber, three-eighths of one percent;
- (3) potash, one-eighth of one percent;
- (4) molybdenum, one-eighth of one percent;

and

- (5) copper, one-fourth of one percent.

B. The tax imposed by this section shall be referred to as the "processors tax".

Section 4. Section 7-25-5 NMSA 1978 (being Laws 1985 (1st S.S.), Chapter 3, Section 2, as amended by Section 3 of this act) is repealed and a new Section 7-25-5 NMSA 1978 is enacted to read:

"7-25-5. RATE AND MEASURE OF TAX--DENOMINATION AS

"PROCESSORS TAX".--

A. For the privilege of processing natural resources, there is imposed on any processor of natural resources in New Mexico an excise tax at the following rates on the taxable value of the natural resources:

- (1) all natural resources except timber, potash and molybdenum, three-fourths of one percent;
- (2) timber, three-eighths of one percent;
- (3) potash, one-eighth of one percent; and
- (4) molybdenum, one-eighth of one percent.

SB 337
Page 3

B. The tax imposed by this section shall be referred to as the "processors tax".

Section 5. APPLICABILITY.--The provisions of Sections 1 and 3 of this act shall apply to taxable events occurring on and after July 1, 1999 and prior to July 1, 2002. The provisions of Sections 2 and 4 of this act shall apply to taxable events occurring on and after July 1, 2002.

Section 6. EFFECTIVE DATE.--The effective date of the provisions of Sections 1 and 3 of this act is July 1, 1999. The effective date of the provisions of Sections 2 and 4 of this act is July 1, 2002. _____

=