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SENATE BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO TAXATION; REQUIRING CERTAIN GROSS RECEIPTS AND
COMPENSATING TAX DEDUCTIONS AND EXEMPTIONS TO BE SEPARATELY
STATED AND ITEMIZED.

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

SECTION 1. Section 7-9-5 NMSA 1978 (being Laws 1966,
Chapter 47, Section 5, as amended) is amended to read:

"7-9-5. PRESUMPTION OF TAXABILITY.--

A. To prevent evasion of the gross receipts tax and
to aid in its administration, it is presumed that all receipts
of a person engaging in business are subject to the gross
receipts tax. [Any]

B. Except as provided in Subsections C through E of
this section, a person that is exempt from or that may take a
deduction against the tax liability imposed pursuant to the

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1 Gross Receipts and Compensating Tax Act shall separately state
2 and itemize the exemption or deduction in a manner required by
3 the department. Multiple claims for the same exemption or
4 deduction claimed in the same period may be aggregated.

5 C. Receipts that may be deducted pursuant to the
6 following provisions of the Gross Receipts and Compensating Tax
7 Act shall not be required to be separately stated or itemized:

8 (1) Sections 7-9-47, 7-9-48 and 7-9-49 NMSA
9 1978;

10 (2) Sections 7-9-50, 7-9-51, 7-9-52, 7-9-52.1,
11 7-9-53, 7-9-54, 7-9-54.1, 7-9-55, 7-9-56, 7-9-56.1, 7-9-56.2,
12 7-9-57, 7-9-57.1, 7-9-58 and 7-9-59 NMSA 1978;

13 (3) Sections 7-9-60, 7-9-61.1, 7-9-62,
14 7-9-62.1, 7-9-63, 7-9-64, 7-9-65, 7-9-66, 7-9-66.1, 7-9-67,
15 7-9-68 and 7-9-69 NMSA 1978;

16 (4) Sections 7-9-70, 7-9-71, 7-9-74, 7-9-75,
17 7-9-76, 7-9-76.1, 7-9-76.2, 7-9-77, 7-9-78 and 7-9-78.1 NMSA
18 1978; and

19 (5) Sections 7-9-85, 7-9-87, 7-9-89, 7-9-91,
20 7-9-108 and 7-9-109 NMSA 1978.

21 D. Receipts that are exempt pursuant to the
22 following provisions of the Gross Receipts and Compensating Tax
23 Act shall not be required to be separately stated or itemized:

24 (1) Sections 7-9-3.3 and 7-9-3.5 NMSA 1978;

25 (2) Sections 7-9-13, 7-9-13.1, 7-9-13.2,

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1 7-9-14, 7-9-15, 7-9-16, 7-9-17, 7-9-18, 7-9-18.1 and 7-9-19

2 NMSA 1978;

3 (3) Sections 7-9-22, 7-9-22.1, 7-9-23,
4 7-9-23.1, 7-9-24, 7-9-25, 7-9-26, 7-9-27, 7-9-28 and 7-9-29

5 NMSA 1978;

6 (4) Sections 7-9-31, 7-9-32, 7-9-33, 7-9-34,
7 7-9-35, 7-9-36, 7-9-37, 7-9-38, 7-9-38.1, 7-9-38.2 and 7-9-39

8 NMSA 1978; and

9 (5) Sections 7-9-41, 7-9-41.3 and 7-9-41.4
10 NMSA 1978.

11 E. A person engaged solely in transactions
12 specifically exempt under the provisions of the Gross Receipts
13 and Compensating Tax Act described in Subsection D of this
14 section shall not be required to register or file a return
15 under that act.

16 ~~[B.]~~ F. If receipts from nontaxable charges for
17 mobile telecommunications services are aggregated with and not
18 separately stated from taxable charges for mobile
19 telecommunications services, ~~[then]~~ the charges for nontaxable
20 mobile telecommunications services shall be subject to gross
21 receipts tax unless the home service provider can reasonably
22 identify nontaxable charges in its books and records that are
23 kept in the regular course of business. For the purposes of
24 this subsection, "charges for mobile telecommunications
25 services", "home service provider" and "mobile

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1 telecommunications services" have the meanings given in the
2 federal Mobile Telecommunications Sourcing Act.

3 G. The secretary shall promulgate rules to
4 implement the provisions of this section."

5 SECTION 2. EFFECTIVE DATE.--The effective date of the
6 provisions of this act is July 1, 2015.

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