

AN ACT

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RELATING TO TAXATION; INCREASING THE GROSS RECEIPTS AND  
COMPENSATING TAX DEDUCTIONS FOR JET FUEL FROM FORTY PERCENT TO  
FIFTY-FIVE PERCENT FOR A PERIOD OF FOUR YEARS.

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

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Section 1. Section 7-1-6.7 NMSA 1978 (being Laws 1994, Chapter 5, Section 2, as amended) is amended to read:

"7-1-6.7. DISTRIBUTIONS--STATE AVIATION FUND.--

A. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state aviation fund in an amount equal to four and thirty-one hundredths percent of the taxable gross receipts attributable to the sale of fuel specially prepared and sold for use in turboprop or jet-type engines as determined by the department.

B. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state aviation fund in an amount equal to twenty-six hundredths percent of gasoline taxes, exclusive of penalties and interest, collected pursuant to the Gasoline Tax Act.

C. From July 1, 2002 through June 30, 2007, a distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state aviation fund in an amount equal to forty-six thousandths percent of the net receipts attributable to the gross receipts tax distributable to the general fund."

Section 2. Section 7-9-83 NMSA 1978 (being Laws 1993, Chapter 364, Section 1) is amended to read:

"7-9-83. DEDUCTION--GROSS RECEIPTS TAX--JET FUEL.--

A. From July 1, 2003 through June 30, 2007, fifty-five percent of the receipts from the sale of fuel specially prepared and sold for use in turboprop or jet-type engines as determined by the department may be deducted from gross receipts.

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B. After June 30, 2007, forty percent of the receipts from the sale of fuel specially prepared and sold for use in turboprop or jet-type engines as determined by the department may be deducted from gross receipts."

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Section 3. Section 7-9-84 NMSA 1978 (being Laws 1993, Chapter 364, Section 2) is amended to read:

"7-9-84. DEDUCTION--COMPENSATING TAX--JET FUEL.--

A. From July 1, 2003 through June 30, 2007, fifty-five percent of the value of the fuel specially prepared and sold for use in turboprop or jet-type engines as determined by the department may be deducted in computing the compensating tax due.

B. After June 30, 2007, forty percent of the value of the fuel specially prepared and sold for use in turboprop or jet-type engines as determined by the department may be deducted in computing the compensating tax due."

Section 4. EFFECTIVE DATE.--

A. The effective date of the provisions of Section 1 of this act is August 1, 2003.

B. The effective date of the provisions of Sections 2 and 3 of this act is July 1, 2002.

