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SENATE BILL 566

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

John Arthur Smith

AN ACT

RELATING TO TAXATION; PROVIDING A DEDUCTION FROM GROSS RECEIPTS
FOR MILITARY RESEARCH AND DEVELOPMENT ACTIVITIES.

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

Section 1. A new section of the Gross Receipts and
Compensating Tax Act is enacted to read:

"~~[NEW MATERIAL]~~ DEDUCTION--GROSS RECEIPTS--TESTING AND
EVALUATION FOR DEPARTMENT OF DEFENSE. --

A. Receipts from research and development, testing
and evaluation of devices and equipment under contracts entered
into with organizations operated by the United States
department of defense in New Mexico may be deducted from gross
receipts. The deduction provided in this section does not
apply to receipts of a prime contractor operating facilities
designed as a national laboratory by act of congress.

underscored material = new
[bracketed material] = delete

1 B. As used in this section, "testing and
2 evaluation" means planning, preparing or conducting tests of
3 materials, components, systems or assemblages of missiles."

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underscored material = new
[bracketed material] = delete

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