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SENATE BILL 733

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

INTRODUCED BY

Leonard Lee Rawson

AN ACT

RELATING TO TAXATION; PROVIDING FOR A GROSS RECEIPTS TAX
DEDUCTION FOR RECEIPTS FROM THE SALE OF ADVERTISING SPACE,
BROADCAST TIME FOR ADVERTISING OR FOR COMMISSIONS FOR OBTAINING
ADVERTISING SPACE OR BROADCAST TIME FOR ADVERTISING.

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

Section 1. Section 7-9-55 NMSA 1978 (being Laws 1969,
Chapter 144, Section 45, as amended) is amended to read:

"7-9-55. DEDUCTION--GROSS RECEIPTS TAX--GOVERNMENTAL
GROSS RECEIPTS TAX--TRANSACTION IN INTERSTATE COMMERCE. --

A. Receipts from transactions in interstate
commerce may be deducted from gross receipts to the extent that
the imposition of the gross receipts tax would be unlawful
under the United States constitution.

B. Receipts from transactions in interstate

underscored material = new
[bracketed material] = delete

1 commerce may be deducted from governmental gross receipts.

2 ~~[C. Receipts from transmitting messages or~~
3 ~~conversations by radio other than from one point in this state~~
4 ~~to another point in this state and receipts from the sale of~~
5 ~~radio or television broadcast time when the advertising message~~
6 ~~is supplied by or on behalf of a national or regional seller or~~
7 ~~advertiser not having its principal place of business in or~~
8 ~~being incorporated under the laws of this state may be deducted~~
9 ~~from gross receipts. Commissions of advertising agencies from~~
10 ~~performing services in this state may not be deducted from~~
11 ~~gross receipts under this section.]"~~

12 Section 2. Section 7-9-64 NMSA 1978 (being Laws 1969,
13 Chapter 144, Section 54) is amended to read:

14 "7-9-64. DEDUCTION--GROSS RECEIPTS TAX--NEWSPAPER
15 SALES.--Receipts from selling newspapers [~~except from selling~~
16 ~~advertising space~~] may be deducted from gross receipts."

17 Section 3. A new section of the Gross Receipts and
18 Compensating Tax Act is enacted to read:

19 "[NEW MATERIAL] DEDUCTION--GROSS RECEIPTS TAX--ADVERTISING
20 SPACE--BROADCAST TIME--COMMISSIONS.--

21 A. Receipts from selling advertising space in a
22 publication, including a newspaper, magazine or other
23 periodical publication, may be deducted from gross receipts.

24 B. Receipts for the sale of radio or television
25 broadcast time for advertising may be deducted from gross

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1 receipts.

2 C. Commissions of advertising agents may be
3 deducted from gross receipts if those commissions are for:

4 (1) obtaining advertising space in a
5 publication, including a newspaper, magazine or other
6 periodical publication; or

7 (2) obtaining radio or television broadcast
8 time for advertising. "

9 Section 4. EFFECTIVE DATE. --The effective date of the
10 provisions of this act is July 1, 2005.

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