

HOUSE BUSINESS AND INDUSTRY COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 827

**49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009**

AN ACT

RELATING TO MOTOR VEHICLE EXCISE TAX EXEMPTIONS; PROVIDING A  
MOTOR VEHICLE EXCISE TAX EXEMPTION FOR CERTAIN HYBRID VEHICLES  
THROUGH JUNE 30, 2012.

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

Section 1. Section 7-14-6 NMSA 1978 (being Laws 1988,  
Chapter 73, Section 16, as amended) is amended to read:

"7-14-6. EXEMPTIONS FROM TAX.--

A. A person who acquires a vehicle out of state  
thirty or more days before establishing a domicile in this  
state is exempt from the tax if the vehicle was acquired for  
personal use.

B. A person applying for a certificate of title for  
a vehicle registered in another state is exempt from the tax if  
the person has previously registered and titled the vehicle in

.178426.1

underscored material = new  
[bracketed material] = delete

1 New Mexico and has owned the vehicle continuously since that  
2 time.

3 C. A vehicle with a certificate of title owned by  
4 this state or any political subdivision is exempt from the tax.

5 D. A person is exempt from the tax if the person  
6 has a disability at the time the person purchases a vehicle and  
7 can prove to the motor vehicle division of the department or  
8 its agent that modifications have been made to the vehicle that  
9 are:

10 (1) due to that person's disability; and

11 (2) necessary to enable that person to drive  
12 that vehicle or be transported in that vehicle.

13 E. A person is exempt from the tax if the person is  
14 a bona fide resident of New Mexico who served in the armed  
15 forces of the United States and who suffered, while serving in  
16 the armed forces or from a service-connected cause, the loss or  
17 complete and total loss of use of:

18 (1) one or both legs at or above the ankle; or

19 (2) one or both arms at or above the wrist.

20 F. A person who acquires a vehicle for subsequent  
21 lease shall be exempt from the tax if:

22 (1) the person does not use the vehicle in any  
23 manner other than holding it for lease or sale or leasing or  
24 selling it in the ordinary course of business;

25 (2) the lease is for a term of more than six

.178426.1

1 months;

2 (3) the receipts from the subsequent lease are  
3 subject to the gross receipts tax; and

4 (4) the vehicle does not have a gross vehicle  
5 weight of over twenty-six thousand pounds.

6 G. From July 1, 2004 through June 30, 2009,  
7 vehicles that are gasoline-electric hybrid vehicles with a  
8 United States environmental protection agency fuel economy  
9 rating of at least twenty-seven and one-half miles per gallon  
10 are eligible for a one-time exemption from the tax at the time  
11 of the issuance of the original certificate of title for the  
12 vehicle.

13 H. From July 1, 2009 through June 30, 2012,  
14 vehicles with a gross vehicle weight rating between six  
15 thousand and ten thousand pounds that draw propulsion energy  
16 from onboard sources of stored energy, that are both an  
17 internal combustion or heat engine using consumable fuel and a  
18 rechargeable energy storage system and that, in the case of a  
19 vehicle that has a gross vehicle weight rating of more than six  
20 thousand pounds but not more than eight thousand five hundred  
21 pounds, has a maximum available power of at least four percent  
22 and, in the case of a vehicle that has a gross vehicle weight  
23 rating of more than eight thousand five hundred pounds and not  
24 more than ten thousand pounds, has a maximum available power of  
25 at least ten percent, are eligible for a one-time exemption

.178426.1

1 from the tax at the time of the issuance of the original  
2 certificate of title for the vehicle."

3 Section 2. EFFECTIVE DATE.--The effective date of the  
4 provisions of this act is July 1, 2009.

5 - 4 -  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25