

1 SENATE BILL 271

2 **49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010**

3 INTRODUCED BY

4 Timothy Z. Jennings

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10 AN ACT

11 RELATING TO TAXATION; MODIFYING THE GROSS RECEIPTS TAX
12 TREATMENT OF NONPROFIT ORGANIZATIONS.

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

15 Section 1. Section 7-9-39 NMSA 1978 (being Laws 1969,
16 Chapter 144, Section 32, as amended) is amended to read:

17 "7-9-39. EXEMPTION--GROSS RECEIPTS TAX--~~[FEES FROM SOCIAL~~
18 ~~ORGANIZATIONS]~~ NONPROFIT DONATIONS, DUES AND FEES.--

19 A. Exempted from the gross receipts tax are the
20 receipts from donations, dues and registration fees of
21 nonprofit social, fraternal, political, trade, labor or
22 professional organizations; chambers of commerce; visitor
23 bureaus; convention bureaus; and business leagues, that
24 demonstrate to the department that they have been granted
25 exemption from the federal income tax by the United States

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underscored material = new
[bracketed material] = delete

1 commissioner of internal revenue as entities described in
2 Section 501(c) of the United States Internal Revenue Code of
3 1986, as amended or renumbered.

4 B. For the purposes of this section:

5 (1) "donations" means gifts;

6 [~~1~~] (2) "dues" means amounts that a member
7 of an organization pays at recurring intervals to retain
8 membership in an organization where such amounts are used for
9 the general maintenance and upkeep of the organization; and

10 [~~2~~] (3) "registration fees" means amounts
11 paid by persons to attend a specific event sponsored by an
12 organization to defray the cost of the event."

13 Section 2. REPEAL.--Section 7-9-29 NMSA 1978 (being Laws
14 1970, Chapter 12, Section 3, as amended) is repealed.

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