

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

SENATE BILL 501

**42ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1996**

INTRODUCED BY

MANNY M. ARAGON

FOR THE HEALTH CARE TASK FORCE

AN ACT

RELATING TO TAXATION; AMENDING A SECTION OF THE GROSS RECEIPTS AND  
COMPENSATING TAX ACT RELATED TO 501(c)(3) HOSPITALS LICENSED BY THE  
DEPARTMENT OF HEALTH; REPEALING A SECTION OF THE NMSA 1978.

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

Section 1. Section 7-9-29 NMSA 1978 (being Laws 1970, Chapter 12, Section 3, as  
amended) is amended to read:

"7-9-29. EXEMPTION--GROSS RECEIPTS TAX--CERTAIN ORGANIZATIONS.--

A. Exempted from the gross receipts tax are the receipts of organizations that  
demonstrate to the department that they have been granted exemption from the federal income  
tax by the United States commissioner of internal revenue as organizations described in Section  
501(c)(3) of the United States Internal Revenue Code of 1954, as amended or renumbered,  
other than receipts of hospitals licensed by the department of health that demonstrate to the  
department that they have been granted exemption from the federal income tax by the United  
States commissioner of internal revenue as organizations described in Section 501(c)(3) of the  
United States Internal Revenue Code of 1954, as amended or renumbered.

B. Exempted from the gross receipts tax are the receipts from carrying on

1 chamber of commerce, visitor bureau and convention bureau functions of organizations that  
2 demonstrate to the department that they have been granted exemption from the federal income  
3 tax by the United States commissioner of internal revenue as organizations described in Section  
4 501(c)(6) of the United States Internal Revenue Code of 1954, as amended or renumbered.

5 C. This section does not apply to receipts derived from an unrelated trade or  
6 business as defined in Section 513 of the United States Internal Revenue Code of 1954, as  
7 amended or renumbered."

8 Section 2. REPEAL.--Section 7-9-73.1 NMSA 1978 (being laws 1995, Chapter 50,  
9 Section 5) is repealed.

10 - 2 -  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

**FORTY-SECOND LEGISLATURE**  
**SECOND SESSION, 1996**

JANUARY 30, 1996

Mr. President:

Your **COMMITTEES' COMMITTEE**, to whom has been referred

**SENATE BILL 501**

has had it under consideration and finds same to be **GERMANE**, PURSUANT TO  
CONSTITUTIONAL PROVISIONS, and thence referred to the **WAYS AND MEANS**  
**COMMITTEE.**

Respectfully submitted,

\_\_\_\_\_  
SENATOR MANNY M. ARAGON, Chairman

Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_

Underscored material = new  
~~[bracketed material] = delete~~

(Chief Clerk)

(Chief Clerk)

1

2

Date \_\_\_\_\_

3

4

5

6

S0501CC1

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25