

AN ACT

RELATING TO TAXATION; AMENDING THE GASOLINE TAX ACT TO PROVIDE A DEDUCTION FOR CERTAIN RETAIL SALES ON AN INDIAN RESERVATION, PUEBLO GRANT OR TRUST LAND; DECLARING AN EMERGENCY.

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

Section 1. A new section of the Gasoline Tax Act, Section 7-13-4.4 NMSA 1978, is enacted to read:

"7-13-4.4. ADDITIONAL DEDUCTION--CERTAIN RETAIL SALES ON AN INDIAN RESERVATION, PUEBLO GRANT OR TRUST LAND.--In computing the gasoline tax due, a person other than a registered Indian tribal distributor may deduct from the total amount of gasoline received in New Mexico during the tax period, provided satisfactory proof is provided to the department, gasoline received in New Mexico and sold at retail in New Mexico if:

A. the sale occurs on an Indian reservation, pueblo grant or trust land;

B. the gasoline is placed into the fuel supply tank of a motor vehicle on that reservation, pueblo grant or trust land;

C. the Indian nation, tribe or pueblo has certified to the department that it has in effect an excise, privilege or similar tax on gasoline; provided that the gallons of gasoline deducted pursuant to this section shall be the total gallons sold in accordance with the provisions of this section multiplied by a fraction, the numerator of

which is the rate of the tribal tax certified to the department by the Indian nation, tribe or pueblo and the denominator of which is the rate of the gasoline tax imposed pursuant to the Gasoline Tax Act, but, if the fraction exceeds one, the fraction shall be deemed to be one for purposes of determining the deduction; and

D. the person is subject to and in compliance with the tax on gasoline imposed by the Indian nation, tribe or pueblo where the sale occurs."

Section 2. EFFECTIVE DATE.--The effective date of the provisions of this act is April 1, 2000.

Section 3. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately. _____