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SENATE BILL 85

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,
2000**

INTRODUCED BY

Carlos R. Cisneros

FOR THE REVENUE STABILIZATION AND TAX POLICY COMMITTEE

AN ACT

RELATING TO TAXATION; PROVIDING FOR A LIMITED REFUND OF
INVESTMENT CREDIT EARNED.

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

Section 1. Section 7-9A-8 NMSA 1978 (being Laws 1979,
Chapter 347, Section 8, as amended) is amended to read:

"7-9A-8. CLAIMING THE CREDIT FOR CERTAIN TAXES.--

A. A taxpayer shall apply for approval for a
credit within one year following the end of the calendar year
in which the qualified equipment for the manufacturing
operation is purchased or introduced into New Mexico.

B. A taxpayer having applied for and been granted
approval for a credit by the department pursuant to the
Investment Credit Act may claim an amount of available credit
against the taxpayer's compensating tax, gross receipts tax
or withholding tax due to the state of New Mexico; provided

.130481.2

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

1 that no taxpayer may claim, except as provided in Subsection
2 C of this section, an amount of available credit for any
3 reporting period that exceeds eighty-five percent of the sum
4 of the taxpayer's gross receipts tax, compensating tax and
5 withholding tax due for that reporting period. Any amount of
6 available credit not claimed against the taxpayer's gross
7 receipts tax, compensating tax or withholding tax due for a
8 reporting period may be claimed in subsequent reporting
9 periods.

10 C. Any taxpayer whose available credit is less
11 than five hundred thousand dollars (\$500,000) and whose
12 combined liability for gross receipts tax, compensating tax
13 and withholding tax in the previous calendar year was less
14 than thirty-five percent of the taxpayer's available credit
15 on January 1 of the current calendar year may apply by
16 September 30 of the current calendar year for a refund of the
17 unclaimed balance of the available credit up to a maximum of
18 two hundred fifty thousand dollars (\$250,000)."