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SENATE BILL 25

44TH LEGISLATURE - STATE OF NEW MEXICO - 2ND SPECIAL SESSION, 2000

INTRODUCED BY

Stuart Ingle

AN ACT

RELATING TO TAXATION; PROVIDING A GROSS RECEIPTS TAX
DEDUCTION FOR SALES OF CERTAIN CLOTHING AND FOOTWEAR DURING A
DESIGNATED THREE-DAY PERIOD IN AUGUST PRIOR TO THE BEGINNING
OF EACH SCHOOL YEAR.

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

Section 1. A new section of the Gross Receipts and
Compensating Tax Act is enacted to read:

"[NEW MATERIAL] DEDUCTION--GROSS RECEIPTS TAX--SALE OF
CERTAIN CLOTHING AND FOOTWEAR FOR LIMITED PERIOD.--

A. Receipts from the sale of an article of
clothing or footwear designed to be worn on or about the
human body may be deducted from gross receipts if:

(1) the sales price of the article is less
than one hundred dollars (\$100); and

(2) the sale takes place during the period
beginning at 12:01 a.m. on the first Friday in August and

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1 ending at midnight on the following Sunday.

2 B. The provisions of Subsection A of this section
3 do not apply to receipts from the sale of:

4 (1) any special clothing or footwear that is
5 primarily designed for athletic activity or protective use
6 and that is not normally worn except when used for the
7 athletic activity or protective use for which it is designed;

8 (2) accessories, including jewelry,
9 handbags, luggage, umbrellas, wallets, watches and similar
10 items carried on or about the human body, without regard to
11 whether worn on the body in a manner characteristic of
12 clothing; and

13 (3) the rental of clothing or footwear."

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