

**FORTY-SEVENTH LEGISLATURE
SECOND SESSION, 2006**

February 4, 2006

Mr. Speaker:

Your **BUSINESS AND INDUSTRY COMMITTEE**, to whom has been referred

HOUSE BILL 440

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

1. On page 1, line 13, after the semicolon insert "ADDING ELIGIBILITY REQUIREMENTS FOR THOSE TAX CREDITS;".

2. On page 4, line 2, strike "and" and insert in lieu thereof a comma.

3. On page 4, between lines 10 and 11, insert the following new sections:

"Section 3. Section 7-9E-4 NMSA 1978 (being Laws 2000 (2nd S.S.), Chapter 20, Section 4) is amended to read:

"7-9E-4. ADMINISTRATION OF ACT.--The department shall administer the Laboratory Partnership with Small Business Tax Credit Act pursuant to the Tax Administration Act. The department shall track credits claimed by a national laboratory pursuant to the Laboratory Partnership with Small Business Tax Credit Act by specific small business assistance requested and provided to each small business to ensure that credits claimed are associated with specific small business assistance requests to the national laboratory."

Section 4. Section 7-9E-5 NMSA 1978 (being Laws 2000 (2nd S.S.), Chapter 20, Section 5) is amended to read:

"7-9E-5. ELIGIBILITY REQUIREMENTS.--A national laboratory is eligible for a tax credit in an amount equal to qualified expenditures if:

A. the small business assistance is rendered to a small business located in New Mexico;

B. the small business assistance is completed; [~~and~~]

C. the small business certifies to the national

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laboratory that the small business assistance provided is not otherwise available to the small business at a reasonable cost through private industry;

D. the national laboratory mails written notice to each small business to which it is providing small business assistance of the option of the small business to obtain ownership of or license to tangible or intangible property developed from the small business assistance;

E. the national laboratory requires small businesses to which it is providing small business assistance to acknowledge that small business assistance is rendered only after the small business assistance is completed; and

F. the national laboratory provides forms for small business assistance requests and for completion of small business assistance that are in accordance with the Laboratory Partnership with Small Business Tax Credit Act and other applicable state and federal laws."".

4. Renumber the succeeding sections accordingly.

5. On page 6, line 19, strike "If" and insert in lieu thereof:

"By October 15 of the calendar year, a national laboratory that claims a tax credit pursuant to the Laboratory Partnership with Small Business Tax Credit Act, within three hundred sixty-five days before that date, shall submit an annual report to the department. By October 15 of the calendar year, if".

6. On page 6, lines 19 and 20, strike "provides small business assistance" and insert in lieu thereof "claims a tax credit".

7. On page 6, line 21, after "Act" insert "within three hundred sixty-five days before that date".

8. On page 6, line 24, strike "The annual report" and strike line 25 in its entirety.

9. On page 7, line 1, before "annual" insert a new

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subsection designation "B." and after that subsection designation insert "An".

10. Reletter the succeeding subsection accordingly.

11. On page 7, line 1, after "report" insert "required pursuant to this section".

12. On page 7, line 3, strike "laboratories" and insert in lieu thereof "laboratory".

13. On page 7, line 18, strike "joint" and after "from" insert "a".

14. On page 7, line 19, strike "laboratories" and insert in lieu thereof "laboratory".

15. On page 7, line 22, strike "each" and insert in lieu thereof "the".,

and thence referred to the **TAXATION AND REVENUE COMMITTEE.**

Respectfully submitted,

Fred Luna, Chairman

Adopted _____
(Chief Clerk)

Not Adopted _____
(Chief Clerk)

Date _____

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The roll call vote was 7 For 0 Against
Yes: 7
No: 0
Excused: Balderas, Luna, Marquardt, Rehm, Taylor, Vigil
Absent: None

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