

1 SENATE BILL 29

2 **51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013**

3 INTRODUCED BY

4 Timothy M. Keller and Roberto "Bobby" J. Gonzales

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6  
7 FOR THE SCIENCE, TECHNOLOGY AND TELECOMMUNICATIONS COMMITTEE  
8 AND THE REVENUE STABILIZATION AND TAX POLICY COMMITTEE

9  
10 AN ACT

11 RELATING TO TAXATION; PROVIDING FOR A DEDUCTION OF GROSS  
12 RECEIPTS OF SALES TO A PERSON ENGAGED IN TECHNOLOGY TRANSFER.

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

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

17 "[NEW MATERIAL] DEDUCTION--GROSS RECEIPTS TAX--SALES TO  
18 PERSONS ENGAGED IN TECHNOLOGY TRANSFERS.--

19 A. Receipts from selling tangible personal property  
20 that is used in converting scientific and technological  
21 advances into marketable goods or services may be deducted from  
22 gross receipts if the sale is made to a person who is engaged  
23 in the business of transferring technology during the first  
24 three years of operations and who delivers a nontaxable  
25 transaction certificate to the seller. The buyer delivering

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1 the nontaxable transaction certificate must use the tangible  
2 personal property to begin operations to develop or create or  
3 in the development or creation of a product.

4 B. The purpose of the deduction provided in this  
5 section is to encourage businesses in the technology  
6 commercialization industry to locate and expand in New Mexico.

7 C. The department shall annually report to the  
8 revenue stabilization and tax policy committee the aggregate  
9 amount of deductions taken pursuant to this section, the number  
10 of taxpayers claiming the deduction and any other information  
11 that is necessary to determine that the deduction is performing  
12 the purpose for which it was enacted.

13 D. A taxpayer deducting gross receipts pursuant to  
14 this section shall report the amount deducted separately for  
15 each deduction provided in this section and shall attribute the  
16 amount of the deduction to the appropriate authorization  
17 provided in this section in a manner required by the department  
18 that facilitates the evaluation by the legislature of the  
19 benefit to the state of these deductions."