

1 HOUSE BILL 332

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017**

3 INTRODUCED BY

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5 and Carlos R. Cisneros
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10 AN ACT

11 RELATING TO TAXATION; EXCLUDING CERTAIN ENTITIES FROM A GROSS
12 RECEIPTS TAX EXEMPTION FOR NONPROFIT ORGANIZATIONS.
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14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

15 SECTION 1. Section 7-9-29 NMSA 1978 (being Laws 1970,
16 Chapter 12, Section 3, as amended) is amended to read:

17 "7-9-29. EXEMPTION--GROSS RECEIPTS TAX--CERTAIN
18 ORGANIZATIONS--EXCEPTIONS.--

19 A. Exempted from the gross receipts tax are the
20 receipts of organizations that demonstrate to the department
21 that they have been granted exemption from the federal income
22 tax by the United States commissioner of internal revenue as
23 organizations described in Section 501(c)(3) of the United
24 States Internal Revenue Code of [~~1954~~] 1986, as that section
25 may be amended or renumbered.

.204802.3

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

1 B. Exempted from the gross receipts tax are the
2 receipts from carrying on chamber of commerce, visitor bureau
3 and convention bureau functions of organizations that
4 demonstrate to the department that they have been granted
5 exemption from the federal income tax by the United States
6 commissioner of internal revenue as organizations described in
7 Section 501(c)(6) of the United States Internal Revenue Code of
8 [~~1954~~] 1986, as that section may be amended or renumbered.

9 C. This section does not apply to:

10 (1) receipts derived from an unrelated trade
11 or business as defined in Section 513 of the United States
12 Internal Revenue Code of [~~1954~~] 1986, as that section may be
13 amended or renumbered; or

14 (2) receipts of a prime contractor that are
15 derived from operating a facility in New Mexico designated as a
16 national laboratory by an act of congress."

17 **SECTION 2. EFFECTIVE DATE.**--The effective date of the
18 provisions of this act is July 1, 2017.