

1 SENATE BILL 99

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018**

3 INTRODUCED BY

4 William F. Burt and Ron Griggs

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10 AN ACT

11 RELATING TO TAXATION; CREATING A DEDUCTION FROM GROSS RECEIPTS
12 FOR CONSTRUCTION SERVICES TO IMPLEMENT A FIGHTER AIRCRAFT PILOT
13 TRAINING MISSION PROJECT AT A NEW MEXICO MILITARY INSTALLATION.

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

16 SECTION 1. Section 7-9-106 NMSA 1978 (being Laws 2007,
17 Chapter 172, Section 8) is repealed and a new Section 7-9-106
18 NMSA 1978 is enacted to read:

19 "7-9-106. [NEW MATERIAL] DEDUCTION--CONSTRUCTION SERVICES
20 AND EQUIPMENT.--

21 A. Prior to July 1, 2022, receipts from
22 construction services to implement a fighter aircraft pilot
23 training mission project at a New Mexico military installation
24 pursuant to contracts entered into with the United States
25 department of defense may be deducted from gross receipts;

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

1 provided that the military installation is located in a class B
2 county with a population greater than sixty thousand according
3 to the most recent federal decennial census.

4 B. The purpose of the deduction provided by this
5 section is to encourage the permanent relocation of fighter
6 aircraft squadrons from other states to a military installation
7 in New Mexico.

8 C. A taxpayer allowed a deduction pursuant to this
9 section shall report the amount of the deduction separately in
10 a manner required by the department.

11 D. The department shall compile an annual report on
12 the deduction provided by this section that shall include the
13 number of taxpayers that claimed the deduction, the aggregate
14 amount of deductions claimed and any other information
15 necessary to evaluate the effectiveness of the deduction. The
16 department shall present the annual report to the revenue
17 stabilization and tax policy committee and the legislative
18 finance committee with an analysis of the effectiveness and
19 cost of the deduction and whether the deduction is performing
20 the purpose for which it was created."

21 SECTION 2. EFFECTIVE DATE.--The effective date of the
22 provisions of this act is July 1, 2018.