

HOUSE BILL 222

56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023

INTRODUCED BY

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AN ACT

RELATING TO TAXATION; CREATING A GROSS RECEIPTS TAX DEDUCTION
AND GOVERNMENTAL GROSS RECEIPTS TAX DEDUCTION FOR THE SALE OF
DIAPERS.

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

SECTION 1. Section 7-9-120 NMSA 1978 (being Laws 2022,
Chapter 47, Section 15) is amended to read:

"7-9-120. DEDUCTION--GROSS RECEIPTS AND GOVERNMENTAL
GROSS RECEIPTS--FEMININE HYGIENE PRODUCTS--DIAPERS---

A. Receipts from the sale of feminine hygiene
products may be deducted from gross receipts and governmental
gross receipts.

B. Receipts from the sale of diapers may be
deducted from gross receipts and governmental gross receipts.

[B.] C. A taxpayer allowed a deduction pursuant to
.224026.1

underscoring material = new
[bracketed material] = delete

underscoring material = new
[bracketed material] = delete

1 this section shall report the amount of the deduction
2 separately in a manner required by the department.

3 ~~[G.]~~ D. The department shall compile an annual
4 report on the ~~[deduction]~~ deductions provided by this section
5 that shall include the number of taxpayers that claimed ~~[the]~~
6 each deduction, the aggregate amount of deductions claimed and
7 any other information necessary to evaluate the effectiveness
8 of the ~~[deduction]~~ deductions. The department shall present
9 the report to the revenue stabilization and tax policy
10 committee and the legislative finance committee with an
11 analysis of the cost of the ~~[deduction]~~ deductions.

12 ~~[D.]~~ E. As used in this section:

13 (1) "diaper" means a basic garment for infants
14 or incontinent adults consisting of a folded cloth or other
15 absorbent material drawn up between the legs and fastened about
16 the waist; and

17 (2) "feminine hygiene products" means tampons,
18 menstrual pads and sanitary napkins, pantliners, menstrual
19 sponges and menstrual cups."

20 SECTION 2. EFFECTIVE DATE.--The effective date of the
21 provisions of this act is July 1, 2023.

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