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HOUSE BILL 221

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 200**

INTRODUCED BY

Delores C. Wright

AN ACT

RELATING TO TAXATION; PROVIDING A GROSS RECEIPTS TAX  
DEDUCTION FOR SALES OF CERTAIN CLOTHING AND FOOTWEAR DURING A  
DESIGNATED THREE-DAY PERIOD IN AUGUST PRIOR TO THE BEGINNING  
OF EACH SCHOOL YEAR.

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

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

"[NEW MATERIAL] DEDUCTION--GROSS RECEIPTS TAX--SALE OF  
CERTAIN CLOTHING AND FOOTWEAR FOR LIMITED PERIOD.--

A. Receipts from the sale of an article of  
clothing or footwear designed to be worn on or about the  
human body may be deducted from gross receipts if:

(1) the sales price of the article is less  
than one hundred dollars (\$100); and

(2) the sale takes place during the period  
beginning at 12:01 a.m. on the first Friday in August and

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

underscoring material = new  
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1 ending at midnight on the following Sunday.

2 B. The provisions of Subsection A of this section  
3 do not apply to receipts from the sale of:

4 (1) any special clothing or footwear that is  
5 primarily designed for athletic activity or protective use  
6 and that is not normally worn except when used for the  
7 athletic activity or protective use for which it is designed;

8 (2) accessories, including jewelry,  
9 handbags, luggage, umbrellas, wallets, watches and similar  
10 items carried on or about the human body, without regard to  
11 whether worn on the body in a manner characteristic of  
12 clothing; and

13 (3) the rental of clothing or footwear."

14 Section 2. EFFECTIVE DATE.--The effective date of the  
15 provisions of this act is July 1, 2000.