

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SENATE BILL 237

46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004

INTRODUCED BY

Leonard Lee Rawson

AN ACT

RELATING TO TAXATION; ESTABLISHING A STANDARD FOR THE
REASONABLE VALUE OF A VEHICLE UPON WHICH THE MOTOR VEHICLE
EXCISE TAX IS APPLIED.

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

Section 1. Section 7-14-4 NMSA 1978 (being Laws 1988,
Chapter 73, Section 14) is amended to read:

"7-14-4. DETERMINATION OF AMOUNT OF MOTOR VEHICLE EXCISE
TAX. --The rate of the motor vehicle excise tax is three percent
and is applied to the price paid for the vehicle. If the price
paid does not represent the value of the vehicle in the
condition that existed at the time it was acquired, the tax
rate shall be applied to the reasonable value of the vehicle in
such condition at such time. In the absence of any special
factors, the reasonable value shall be not less than the

1 average trade-in value for the vehicle at the place of sale as
2 determined by the national automobile dealers association
3 without value additions for special features such as air
4 conditioning; provided that the department by regulation may
5 adopt an equivalent standard based on other widely available
6 sources. Special factors include whether the transaction is a
7 transfer among immediate family members, whether the vehicle is
8 a salvage vehicle and such other factors the department may
9 identify by regulation. [However] Allowances granted for
10 vehicle trade-ins may be deducted from the price paid or the
11 reasonable value of the vehicle purchased. "

12 Section 2. EFFECTIVE DATE. --The effective date of the
13 provisions of this act is July 1, 2004.

14 - 2 -
15
16
17
18
19
20
21
22
23
24
25