

HOUSE BUSINESS AND INDUSTRY COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 904

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

AN ACT

RELATING TO TAXATION; PROVIDING A CREDIT FOR THE STATE PORTION  
OF GROSS RECEIPTS TAX FOR HOSPITALS LICENSED BY THE DEPARTMENT  
OF HEALTH.

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]~~ CREDIT--GROSS RECEIPTS TAX--RECEIPTS OF  
CERTAIN HOSPITALS.--

A. A hospital licensed by the department of health  
may claim a credit for each reporting period against the state  
portion of gross receipts tax due for that reporting period as  
follows:

(1) for a hospital located in a municipality  
and for a reporting period occurring:

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underscored material = new  
[bracketed material] = delete

1 (a) on or after July 1, 2005 and during  
2 the 2005 calendar year, in an amount equal to one and two  
3 hundred fifty-eight thousandths percent of the hospital's  
4 taxable gross receipts from providing commercial contract or  
5 medicare part A, part B or part C services for that reporting  
6 period after the deduction pursuant to Section 7-9-73.1 NMSA  
7 1978 has been taken;

8 (b) during the 2006 calendar year, in an  
9 amount equal to two and five hundred sixteen thousandths  
10 percent of the hospital's taxable gross receipts from providing  
11 commercial contract or medicare part A, part B or part C  
12 services for that reporting period after the deduction pursuant  
13 to Section 7-9-73.1 NMSA 1978 has been taken; and

14 (c) during the 2007 calendar year or  
15 during a subsequent calendar year, in an amount equal to three  
16 and seven hundred seventy-five thousandths percent of the  
17 hospital's taxable gross receipts from providing commercial  
18 contract or medicare part A, part B or part C services for that  
19 reporting period after the deduction pursuant to Section  
20 7-9-73.1 NMSA 1978 has been taken; and

21 (2) for a hospital located in the  
22 unincorporated area of a county and for a reporting period  
23 occurring:

24 (a) on or after July 1, 2005 and during  
25 the 2005 calendar year, in an amount equal to one and sixty-

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1 seven hundredths percent of the hospital's taxable gross  
2 receipts from providing commercial contract or medicare part A,  
3 part B or part C services for that reporting period after the  
4 deduction pursuant to Section 7-9-73.1 NMSA 1978 has been  
5 taken;

6 (b) during the 2006 calendar year, in an  
7 amount equal to three and thirty-four hundredths percent of the  
8 hospital's taxable gross receipts from providing commercial  
9 contract or medicare part A, part B or part C services for that  
10 reporting period after the deduction pursuant to Section  
11 7-9-73.1 NMSA 1978 has been taken; and

12 (c) during the 2007 calendar year or  
13 during a subsequent calendar year, in an amount equal to five  
14 percent of the hospital's taxable gross receipts from providing  
15 commercial contract or medicare part A, part B or part C  
16 services for that reporting period after the deduction pursuant  
17 to Section 7-9-73.1 NMSA 1978 has been taken.

18 B. For the purposes of this section, "hospital"  
19 means a facility providing emergency or urgent care, in-patient  
20 medical care and nursing care for acute illness, injury,  
21 surgery or obstetrics and includes a facility licensed by the  
22 department of health as a critical access hospital, general  
23 hospital, long-term acute care hospital, psychiatric hospital,  
24 rehabilitation hospital, limited services hospital and special  
25 hospital."

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