

1 SENATE BILL 461

2 **47TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2006**

3 INTRODUCED BY

4 Steven P. Neville

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10 AN ACT

11 RELATING TO TAXATION; AMENDING THE GROSS RECEIPTS AND
12 COMPENSATING TAX ACT TO EXPAND THE DEFINITION OF RETAIL FOOD
13 STORE FOR PURPOSES OF THE DEDUCTION FOR RECEIPTS FROM THE SALE
14 OF FOOD.

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

17 Section 1. Section 7-9-92 NMSA 1978 (being Laws 2004,
18 Chapter 116, Section 5) is amended to read:

19 "7-9-92. DEDUCTION--GROSS RECEIPTS--SALE OF FOOD AT
20 RETAIL FOOD STORE.--

21 A. Receipts from the sale of food at a retail food
22 store that are not exempt from gross receipts taxation and are
23 not deductible pursuant to another provision of the Gross
24 Receipts and Compensating Tax Act may be deducted from gross
25 receipts. The deduction provided by this section shall be

.160936.1

underscoring material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 separately stated by the taxpayer.

2 B. For the purposes of this section:

3 (1) "food" means any food or food product for
4 home consumption that meets the definition of food in 7 USCA
5 2012(g)(1) for purposes of the federal food stamp program; and

6 (2) "retail food store" means an establishment
7 that sells food for home preparation and consumption and that
8 meets the definition of retail food store in 7 USCA 2012(k)(1)
9 for purposes of the federal food stamp program, whether or not
10 the establishment participates in the food stamp program;
11 provided, however, that if more than ninety percent of the
12 total sales of the establishment consist of bottled water for
13 home consumption, the establishment shall be considered a
14 "retail food store" for the purposes of this section."

15 Section 2. EFFECTIVE DATE.--The effective date of the
16 provisions of this act is July 1, 2006.