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AN ACT  
RELATING TO TAXATION; EXCLUDING CERTAIN ENTITIES FROM A GROSS  
RECEIPTS TAX EXEMPTION FOR NONPROFIT ORGANIZATIONS.

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

SECTION 1. Section 7-9-29 NMSA 1978 (being Laws 1970,  
Chapter 12, Section 3, as amended) is amended to read:

"7-9-29. EXEMPTION--GROSS RECEIPTS TAX--CERTAIN  
ORGANIZATIONS--EXCEPTIONS.--

A. Exempted from the gross receipts tax are the  
receipts of organizations that demonstrate to the department  
that they have been granted exemption from the federal income  
tax by the United States commissioner of internal revenue as  
organizations described in Section 501(c)(3) of the  
United States Internal Revenue Code of 1986, as that section  
may be amended or renumbered.

B. Exempted from the gross receipts tax are the  
receipts from carrying on chamber of commerce, visitor bureau  
and convention bureau functions of organizations that  
demonstrate to the department that they have been granted  
exemption from the federal income tax by the United States  
commissioner of internal revenue as organizations described  
in Section 501(c)(6) of the United States Internal Revenue  
Code of 1986, as that section may be amended or renumbered.

C. This section does not apply to:

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(1) receipts derived from an unrelated trade or business as defined in Section 513 of the United States Internal Revenue Code of 1986, as that section may be amended or renumbered;

(2) receipts of a prime contractor that are derived from operating a facility in New Mexico designated as a national laboratory by an act of congress; or

(3) receipts of a prime contractor that are derived from operating a research facility in New Mexico that is owned by the state."

SECTION 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2019. \_\_\_\_\_