

1 SENATE BILL 243

2 **55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021**

3 INTRODUCED BY

4 Martin Hickey

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10 AN ACT

11 RELATING TO TAXATION; REMOVING A REQUIREMENT TO INSTALL SOLAR
12 ENERGY SYSTEMS ON THE PROPERTY FOR WHICH THE SYSTEM PROVIDES
13 HEAT, HOT WATER OR ELECTRICITY TO BE ELIGIBLE FOR A GROSS
14 RECEIPTS TAX DEDUCTION; ADDING A SUNSET DATE AND REPORTING
15 REQUIREMENTS.

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

18 SECTION 1. Section 7-9-112 NMSA 1978 (being Laws 2007,
19 Chapter 204, Section 10) is amended to read:

20 "7-9-112. DEDUCTION--GROSS RECEIPTS--SOLAR ENERGY
21 SYSTEMS.--

22 A. Prior to July 1, 2030, receipts from the sale
23 and installation of solar energy systems may be deducted from
24 gross receipts.

25 B. A taxpayer allowed a deduction pursuant to this

.219343.2

underscored material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 section shall report the amount of the deduction separately in
2 a manner required by the department.

3 C. The department shall compile an annual report on
4 the deduction provided by this section that shall include the
5 number of taxpayers that claimed the deduction, the aggregate
6 amount of deductions claimed and any other information
7 necessary to evaluate the effectiveness of the deduction. The
8 department shall compile and present the report to the revenue
9 stabilization and tax policy committee and the legislative
10 finance committee with an analysis of the cost of the
11 deduction.

12 ~~[B.]~~ D. As used in this section, "solar energy
13 system" means an installation that is used to provide space
14 heat, hot water or electricity [~~to the property in which it is~~
15 ~~installed]~~ and is:

16 (1) an installation that utilizes solar panels
17 that are not also windows, including the solar panels and all
18 equipment necessary for the installation and operation of the
19 solar panels;

20 (2) a dark-colored water tank exposed to
21 sunlight, including all equipment necessary for the
22 installation and operation of the water tank as a part of the
23 overall water system of the property; or

24 (3) a non-vented trombe wall, including all
25 equipment necessary for the installation and operation of the

.219343.2

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

1 trombe wall."

2 SECTION 2. EFFECTIVE DATE.--The effective date of the
3 provisions of this act is July 1, 2021.

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