

HOUSE GOVERNMENT, ELECTIONS AND INDIAN AFFAIRS  
COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 477

**57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

AN ACT

RELATING TO TAXATION; AMENDING THE LODGERS' TAX ACT TO PROVIDE  
AN EXEMPTION FOR A VENDEE WHO ENTERS INTO A WRITTEN AGREEMENT  
FOR TEMPORARY LODGING FOR A PERIOD OF AT LEAST THIRTY  
CONSECUTIVE DAYS.

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

**SECTION 1.** Section 3-38-16 NMSA 1978 (being Laws 1969,  
Chapter 199, Section 4, as amended) is amended to read:

"3-38-16. EXEMPTIONS.--The occupancy tax shall not apply:

A. if a vendee:

(1) has been a permanent resident of the  
taxable premises for a period of at least thirty consecutive  
days, unless those premises are temporary lodging; or

(2) enters into [~~or has entered into~~] a  
written agreement for lodgings at the taxable premises for a

.231536.1

underscored material = new  
[bracketed material] = delete

1 period of at least thirty consecutive days [~~unless those~~  
2 ~~premises are temporary lodging~~];

3 B. if the rent paid by a vendee is less than two  
4 dollars (\$2.00) a day;

5 C. to lodging accommodations at institutions of the  
6 federal government, the state or any political subdivision  
7 thereof;

8 D. to lodging accommodations at religious,  
9 charitable, educational or philanthropic institutions,  
10 including accommodations at summer camps operated by such  
11 institutions;

12 E. to clinics, hospitals or other medical  
13 facilities; or

14 F. to privately owned and operated convalescent  
15 homes or homes for the aged, infirm, indigent or chronically  
16 ill."

17 SECTION 2. EFFECTIVE DATE.--The effective date of the  
18 provisions of this act is July 1, 2025.