

AN ACT

RELATING TO TAXATION; AMENDING SECTION 7-9-53 NMSA 1978 (BEING LAWS 1969, CHAPTER 144, SECTION 43, AS AMENDED) TO CLARIFY THE DEDUCTION PERTAINING TO RENTAL OF MANUFACTURED HOMES TO INCLUDE CERTAIN RENTALS OF SPACE FOR RECREATIONAL VEHICLES; DECLARING AN EMERGENCY.

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

Section 1. Section 7-9-53 NMSA 1978 (being Laws 1969, Chapter 144, Section 43, as amended) is amended to read:

"7-9-53. DEDUCTION--GROSS RECEIPTS TAX--SALE OR LEASE OF REAL PROPERTY AND LEASE OF MANUFACTURED HOMES. --

A. Receipts from the sale or lease of real property and from the lease of a manufactured home as provided in Subsection B of this section, other than receipts from the sale or lease of oil, natural gas or mineral interests exempted by Section 7-9-32 NMSA 1978, may be deducted from gross receipts. However, that portion of the receipts from the sale of real property which is attributable to improvements constructed on the real property by the seller in the ordinary course of his construction business may not be deducted from gross receipts.

B. Receipts from the rental of a manufactured home for a period of at least one month may be deducted from

gross receipts. Receipts received by hotels, motels, rooming houses, campgrounds, guest ranches, trailer parks or similar facilities, except receipts received by trailer parks from the rental of a space for a manufactured home or recreational vehicle for a period of at least one month, from lodgers, guests, roomers or occupants are not receipts from leasing real property for the purposes of this section.

C. Receipts attributable to the inclusion of furniture or appliances furnished as part of a leased or rented dwelling house, manufactured home or apartment by the landlord or lessor may be deducted from gross receipts. "

Section 2. EFFECTIVE DATE. --The effective date of the provisions of this act is April 1, 1998; provided, if this act passes without an emergency clause, the effective date of the provisions of this act is June 1, 1998.

Section 3. EMERGENCY. --It is necessary for the public peace, health and safety that this act take effect immediately. \_\_\_\_\_