1	SENATE BILL 204
2	43rd LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998
3	INTRODUCED BY
4	PAULINE B. EI SENSTADT
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10	AN ACT
11	RELATING TO TAXATION; PROVIDING A GROSS RECEIPTS TAX DEDUCTION
12	FOR RECEIPTS FROM ADMINISTRATIVE AND ACCOUNTING SERVICES
13	PROVIDED TO AFFILIATED BUSINESS ENTITIES.
14	
15	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:
16	Section 1. Section 7-9-69 NMSA 1978 (being Laws 1969,
17	Chapter 144, Section 61, as amended) is amended to read:
18	"7-9-69. DEDUCTI ONGROSS RECEIPTS TAXADMINI STRATI VE
19	AND ACCOUNTING SERVICES
20	A. Receipts of a corporation for administrative,
21	managerial and accounting services performed by it for an
22	affiliated corporation <u>or affiliated limited partnership</u> upon
23	a nonprofit or cost basis and receipts from an affiliated
24	corporation <u>or affiliated limited partnership</u> for the joint
25	use or sharing of office machines and facilities upon a
	. 122178. 1

1	nonprofit or cost basis may be deducted from gross receipts.
2	B. For the purposes of this section:
3	<u>(1) "affiliated limited partnership" means a</u>
4	limited partnership that directly or indirectly through one or
5	more intermediaries controls, is controlled by or is under
6	<u>common control with the subject corporation. For purposes of</u>
7	<u>this paragraph, "control" means ownership of an interest in a</u>
8	<u>limited partnership that:</u>
9	(a) represents at least fifty percent
10	of the total voting power of that corporation; and
11	(b) has a value equal to at least fifty
12	percent of the total value of that limited partnership; and
13	(2) "affiliated corporation" means a
14	corporation that directly or indirectly through one or more
15	intermediaries controls, is controlled by or is under common
16	control with the subject corporation. For the purposes of
17	this [ <del>subsection</del> ] <u>paragraph</u> , "control" means ownership of
18	stock in a corporation [ <del>which</del> ] <u>that</u> :
19	[ <del>(1)</del> ] <u>(a)</u> represents at least fifty
20	percent of the total voting power of that corporation; and
21	$\left[\frac{(2)}{(2)}\right]$ (b) has a value equal to at least
22	fifty percent of the total value of the stock of that
23	corporation."
24	Section 2. APPLICABILITYThe provisions of this act
25	apply to receipts received after July 1, 1998.
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		1	Section 3. EFFECTIVE DATEThe effective date of the
		2	provisions of this act is July 1, 1998.
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	1	FORTY- THIRD LEGISLATURE
	2	SECOND SESSION, 1998
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	6	January 31, 1998
	7	Mr. President:
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	9 10	Your <b>COMMITTEES' COMMITTEE</b> , to whom has been referred
	10	Tour CONNETTERS CONNETTER, to whom has been referred
	12	
	13	SENATE BILL 204
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	15	has had it under consideration and finds same to be <b>GERMANE</b> , in
	16	accordance with constitutional provisions, and thence referred to the
<u>: new</u> = del ete	et 17	WAYS & MEANS COMMITTEE.
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	25	Manny M Aragon, Chairman
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		1	FORTY-THIRD LEGISLATURE						
		2	SECOND SESSION, 1998						
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		4							
		5	February 7, 1998						
		6							
		7	Mr. President:						
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		9	Your WAYS AND MEANS COMMITTEE, to whom has been referred						
		10							
		11	SENATE BILL 204						
		12							
		13	has had it under consideration and reports same with recommendation						
		14	that it DO PASS, and thence referred to the FINANCE COMMITTEE.						
		15							
	Ð	16	Respectfully submitted,						
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an b		21	Carlos R. Cisneros, Chairman						
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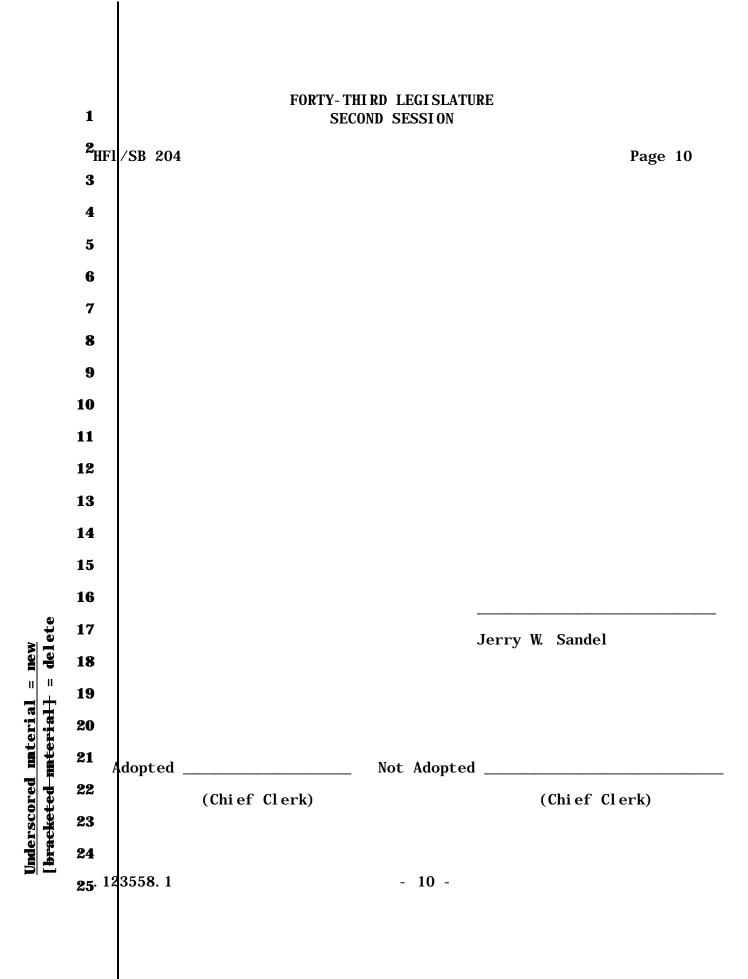
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	(Chief Clerk)	(Chief Clerk)
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	l call vote was <u>5</u> For <u>0</u> Against	
Yes:	_	
No:	0	
Excused	: Duran, Kidd, Leavell, Wilson	
Absent:	None	
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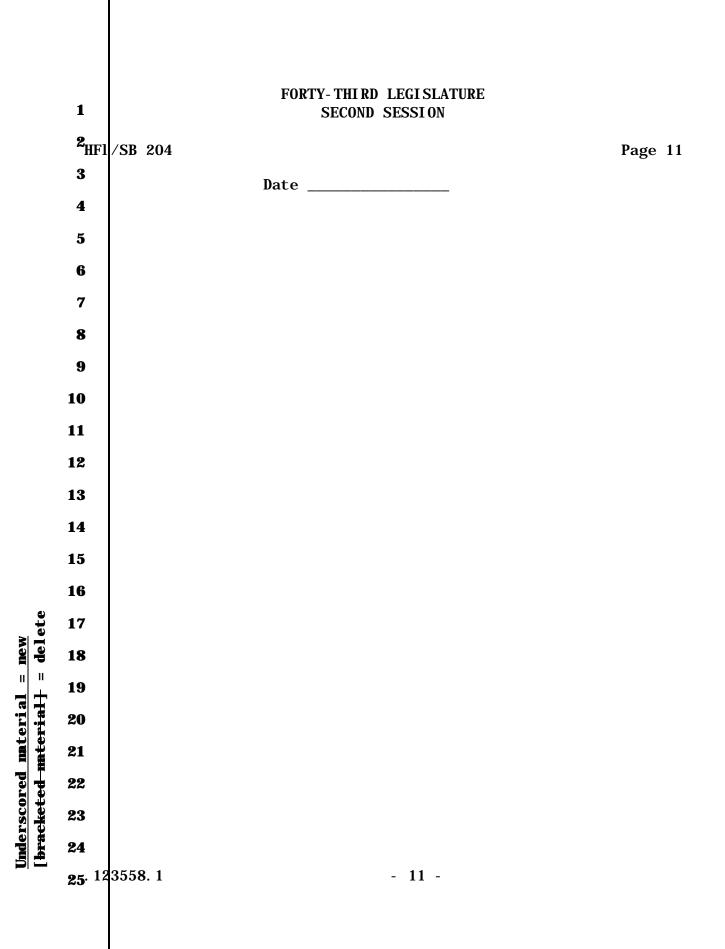
	FORTY- THI RD LEGI SLATURE
1	SECOND SESSION
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5	February 17, 1998
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8	HOUSE FLOOR AMENDMENT number to SENATE BILL 204
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10	Amendment sponsored by Representative Jerry W. Sandel
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12	
13	1. On page 1, strike lines 20 through 25 and on page 2, strike
14	lines 1 through 18 and insert in lieu thereof:
15	
16	"A. Receipts of a corporation or an affiliate for
17	administrative, managerial, accounting and customer services performed
	by it for the corporation or an affiliate upon a nonprofit or cost
18	basis and receipts from the corporation or an affiliate for the joint
19	use or sharing of office machines and facilities upon a nonprofit or
20	cost basis may be deducted from gross receipts.
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22	B. For the purposes of this section, "an affiliate" means a
23	corporation or a limited partnership that directly or indirectly
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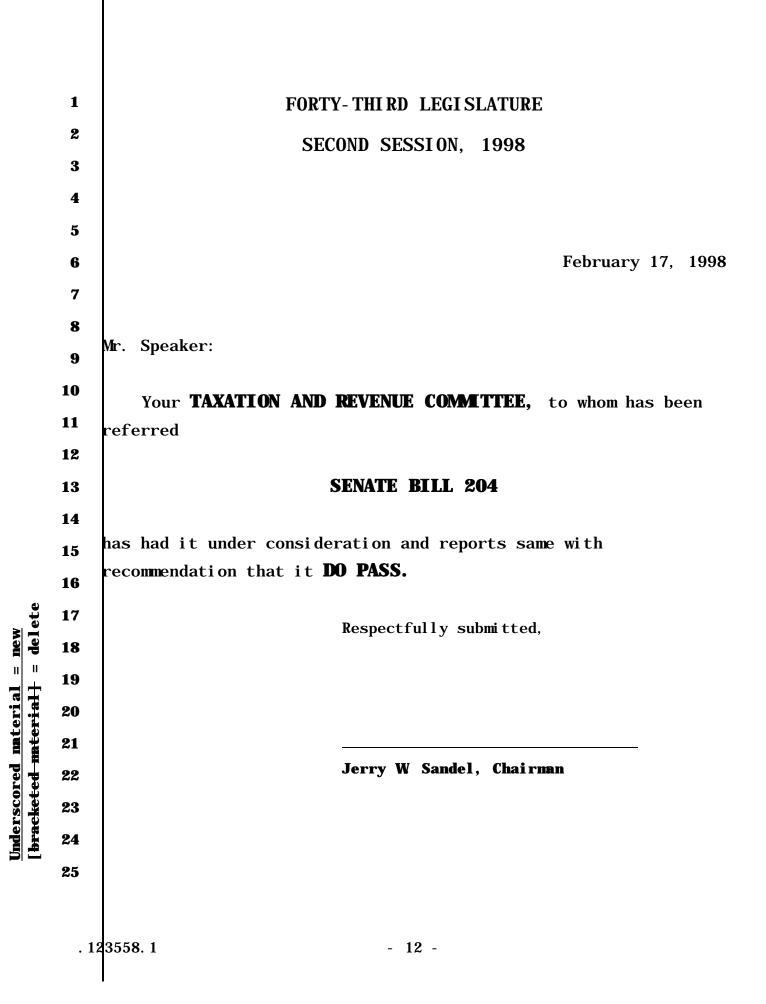
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<u>Underscored material = new</u> [bracketed material] = delete

1	FORTY-THIRD LEGISLATURE SECOND SESSION
<b>2</b> <sub>HF</sub>	Page 9
3	through one or more intermediaries controls, is controlled by or is
4	under common control with the subject corporation or limited
5	partnership. For purposes of this subsection, "control" means
6	ownership of stock in a corporation or of an interest in a limited
7	partnership that: ".
8 9	
9 10	2. On page 2, line 19, strike the brackets and line-through and
11	the underscored subparagraph designation.
 12	
13	3. On page 2, line 20, after "corporation" insert "or limited
14	partnershi p".
15	4. On page 2, line 21, strike the brackets and line-through and
16	the underscored subparagraph designation.
17	and and see and a see and a second second
18	5. On page 2, line 23, after "corporation" insert "or limited
19	partnership".
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<b>25</b> . 1	23558.1 - 9 -







		HIRD LEGISLA D SESSION, 19		
HTRC/SB 204	1			Page
Adopted _		Not Adopted		
	(Chief Clerk)	(	Chief Clerk)	
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The roll	call vote was <u>9</u> For	r <u>0</u> Against		
Yes:	9			
	Sandoval			
Absent:	Lovej oy, Luj an, Russ	sell		
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