

**NOTICE OF PROPOSED RULEMAKING**

The New Mexico Taxation and Revenue Department hereby gives notice as required under Section 14-4-5.2 NMSA 1978 and 1.24.25.11 NMAC that it proposes to repeal rules regarding income taxes, gross receipts taxes, and certain credits that are associated with statutes that were repealed during the 2023 and 2018 legislative session as authorized by Section 9-11-6.2 NMSA 1978:

**Summary of Proposed Changes:**

The New Mexico Taxation and Revenue Department proposes to repeal the following rule(s):

**Income Tax Act:**

Section 7-2-18.4 NMSA 1978 - Qualified business facility rehabilitation credit; income tax credit (Repealed 07/01/2023)

3.3.13.11 NMAC - *Qualified Business Facility Rehabilitation Credit*

**Corporate Income and Franchise Tax Act:**

Section 7-2A-15 NMSA 1978 - Qualified business facility rehabilitation credit; income tax credit (Repealed 07/01/2023)

3.4.14.10 NMAC - *Qualified Business Facility Rehabilitation Credit*

**Gross Receipts and Compensating Tax Act:**

Section 7-9-16 NMSA 1978 - Exemptions; gross receipts tax; certain nonprofit facilities (Repealed 07/01/2023)

Repeal of entire part - Title 3: Taxation, Chapter 2: Gross Receipts Tax, Part 104: Exemption - Gross Receipts Tax - Certain Nonprofit facilities

3.2.104.1 - *Issuing Agency*

3.2.104.2 - *Scope*

3.2.104.3 - *Statutory Authority*

3.2.104.4 - *Duration*

3.2.104.5 - *Effective Date*

3.2.104.6 - *Objective*

3.2.104.7 - *Definitions*

3.2.104.8 - *Nonprofit status to be determined by department*

3.2.104.9 - *Payments made by the health and environment department*

3.2.104.10 - *Sales by auxiliaries*

Section 7-9-44 NMSA 1978 (Repealed 2018), Suspension of the right to use a nontaxable transaction certificate (Repealed 03/02/2018)

Repeal of entire part - Title 3: Taxation, Chapter 2: Gross Receipts Tax; Part 202: Suspension of the right to use a nontaxable transaction certificate

3.2.202.1 - *Issuing Agency*

3.2.202.2 - *Scope*

3.2.202.3 - *Statutory Authority*

3.2.202.4 - *Duration*

3.2.202.5 - *Effective Date*

3.2.202.6 - *Objective*

3.2.202.7 - *Definitions*

3.2.202.8 - NMAC - *Suspension of right to issue nontaxable transaction certificates*

**Other Tax Credits:**

Section 7-9G-2 NMSA 1978 - Advanced Energy combined reporting tax credit; gross receipts tax; compensating tax; withholding tax (Repealed 07/01/2023)

Repeal of entire part - Title 3: Taxation, Chapter 13: Business Credits, Part8: Other Tax Credits

- 3.13.8.1 NMAC - *Issuing Agency*
- 3.13.8.2 NMAC - *Scope*
- 3.13.8.3 NMAC - *Statutory Authority*
- 3.13.8.4 NMAC - *Duration*
- 3.13.8.5 NMAC - *Effective Date*
- 3.13.8.6 NMAC - *Objective*
- 3.13.8.7 NMAC - *Definitions: Advanced Energy Tax Credit Defined*
- 3.13.8.8 NMAC - *Value of Eligible Generation Plant Costs*
- 3.13.8.9 NMAC - *Eligible Generation Plant Cost Must be "Subject to Depreciation"*
- 3.13.8.10 NMAC - *Application of the credit*
- 3.13.8.11 NMAC - *Carryforward of unused credit*
- 3.13.8.13 NMAC - *Limitation on other credits*

**Technical Information:** No technical information was consulted in drafting these proposed rule changes.

**Purpose of Proposed Rule:** The proposed rules are being repealed because the statutes that they relate to have been repealed during the 2023 and 2018 legislative sessions.

**Notice of Public Rule Hearing:** A public hearing will be held on the proposed rule changes on Wednesday, August 30<sup>th</sup>, 2023, from 10 AM to 11 AM at the 3<sup>rd</sup> floor in the Montoya Building, 1100 South St. Francis Drive, Santa Fe, New Mexico 87504. The hearing will be recorded, and oral comments can be made during the public hearing. Written comments can be submitted as outlined at the end of this notice. Virtual meeting access also available using Zoom <https://us02web.zoom.us/j/84393332108?pwd=bUdtVHMwUzhlWGZWMHhvWnNaOUtUUT09> Meeting ID: 843 9333 2108 Passcode: 004369.

The rule proposals were placed on file in the Office of the Secretary on July 17, 2023. Pursuant to Regulation 3.1.2.9 NMAC under Section 9-11-6.2 NMSA 1978 of the Taxation and Revenue Department Act, the final of the proposals, if filed, will be filed as required by law on or about September 15, 2023.

Individuals with disabilities who need any form of auxiliary aid to attend or participate in the public hearing are asked to contact Bobbie Marquez at [BobbieJ.Marquez@tax.nm.gov](mailto:BobbieJ.Marquez@tax.nm.gov). The Taxation and Revenue Department will make every effort to accommodate all reasonable requests but cannot guarantee accommodation of a request that is not received at least ten calendar days prior to the scheduled hearing.

Copies of the proposed rules may be found at <https://www.tax.newmexico.gov/all-nm-taxes/proposed-regulations-hearing-notices/> or are available upon request by contacting the Tax Policy Office at [policy.office@tax.nm.gov](mailto:policy.office@tax.nm.gov).

**Notice of Acceptance of Written Public Comment:** Written comments on the proposals can be submitted by email to [policy.office@tax.nm.gov](mailto:policy.office@tax.nm.gov) or by mail to the Taxation and Revenue Department, Tax Information and Policy Office, Post Office Box 630, Santa Fe, New Mexico 87504-0630 on or before 8 AM on Wednesday, August 30, 2023. All written comments received by the agency will be posted on <https://www.tax.newmexico.gov/all-nm-taxes/proposed-regulations-hearing-notices/> no more than 3 business days following receipt to allow for public review.