

**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 amend/repeal/replace and/or enact certain rules and regulations pertaining to the Gross Receipts and Compensating Tax Act and certain business tax credits. The State Records Center and Archives Administrative Law Division is requiring a repeal and replace of the entire regulation part Title 3: Taxation, Chapter 3: Business Tax Credits, Part 1: General Provisions in order to make this amendment, citing Regulation Subsection C of 1.24.11.9 NMAC.

**Summary of Proposed Changes:**

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

**Imposition of Gross Receipts and Compensating Tax Act**

For ease of reference these changes are shown as amendments, see below on where to locate copies of the proposed rules:

Section 7-9-3.5 NMSA 1978

*3.2.1.18 - Gross Receipts: Services Generally (Amend)*

Section 7-9A-1 NMSA 1978

*3.13.1.1 - Issuing Agency (Repeal and Replace)*

*3.13.1.2 - Scope (Repeal and Replace)*

*3.13.1.3 - Statutory Authority (Repeal and Replace)*

*3.13.1.4 - Duration (Repeal and Replace)*

*3.13.1.5 - Effective Date (Repeal and Replace)*

*3.13.1.6 - Objective (Repeal and Replace)*

*3.13.1.7 - Definition (Repeal and Replace)*

*3.13.1.8 - Citation of Statutes (Repeal and Replace)*

No Statutory Reference - Credit no longer exists

*3.13.3.1 - Issuing Agency (Repeal)*

*3.13.3.2 - Scope (Repeal)*

*3.13.3.3 - Statutory Authority (Repeal)*

*3.13.3.4 - Duration (Repeal)*

*3.13.3.5 - Effective Date (Repeal)*

*3.13.3.6 - Objective (Repeal)*

*3.13.3.7 - Definition (Repeal)*

*3.13.3.8 - Reserved (Repeal)*

*3.13.3.9 - Reserved (Repeal)*

*3.13.3.9 - Reserved (Repeal)*

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

**Purpose of Proposed Rule:** The proposed repeal and replace is in accordance with the SRCA requirements. The regulation changes to Regulation 3.2.1.18 NMAC are to match current statutory references and make a grammatical correction. The changes to Regulation 3.13.1 NMAC are to make the language more generic to cover any tax credit regulation needed under this part. Regulation 3.13.3 NMAC is being repealed as this credit no longer exists.

**Notice of Public Rule Hearing:** A public hearing will be held on the proposed rule changes on Thursday, December 19<sup>th</sup>, 2024, from 9AM to 10AM 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 Microsoft Teams:

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_ZGU4YTk5ZWUtMWYyZC00OTE2LTgyMWYtMTYxYTAzZGE2MDMw%40thread.v2/0?context=%7b%22Tid%22%3a%2204aa6bf4-d436-426f-bfa4-04b7a70e60ff%22%2c%22Oid%22%3a%22124fc7c-ea47-4a9a-84d4-010bcce6239a%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZGU4YTk5ZWUtMWYyZC00OTE2LTgyMWYtMTYxYTAzZGE2MDMw%40thread.v2/0?context=%7b%22Tid%22%3a%2204aa6bf4-d436-426f-bfa4-04b7a70e60ff%22%2c%22Oid%22%3a%22124fc7c-ea47-4a9a-84d4-010bcce6239a%22%7d)

Meeting ID: 263 008 840 973 Passcode: 6Yu49o

Dial in by phone

+1 505-312-4308 Phone conference ID: 762 250 225#

The rule proposals were placed on file in the Office of the Secretary on *November 4<sup>th</sup>*, 2024. 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 January 3, 2025.

Individuals with disabilities who need any form of auxiliary aid to attend or participate in the public hearing are asked to contact the Tax Information and Policy Office at [policy.office@tax.nm.gov](mailto:policy.office@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 by 5PM on Thursday, December 19<sup>th</sup>, 2024.

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.