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HOUSE BILL 250

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

INTRODUCED BY

Karen E. Giannini

AN ACT

RELATING TO TAXATION; ELIMINATING A DEDUCTION FROM GROSS RECEIPTS FOR RECEIPTS FROM THE SALE OF SOFT DRINKS, CANDY, CHEWING GUM, CERTAIN SNACK FOODS AND PASTRIES.

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

Section 1. Section 7-9-92 NMSA 1978 (being Laws 2004, Chapter 116, Section 5) is amended to read:

"7-9-92. DEDUCTION--GROSS RECEIPTS--SALE OF FOOD AT RETAIL FOOD STORE.--

A. Receipts from the sale of food at a retail food store that are not exempt from gross receipts taxation and are not deductible pursuant to another provision of the Gross Receipts and Compensating Tax Act may be deducted from gross receipts. The deduction provided by this section shall be separately stated by the taxpayer.

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underscored material = new
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1 B. For the purposes of this section:

2 (1) "food" means ~~[any]~~ a food or food product
3 for home consumption that meets the definition of food in 7
4 USCA 2012~~[(g)]~~(k)(1) for purposes of the federal ~~[food stamp]~~
5 supplemental nutrition assistance program but "food" does not
6 include:

7 (a) soft drinks, carbonated or
8 noncarbonated, but excluding water, that do not contain a
9 primary dairy product or dairy ingredient base or fifteen
10 percent or more natural fruit or vegetable juice;

11 (b) candy;

12 (c) chewing gum;

13 (d) potato chips or sticks;

14 (e) corn chips or pretzels;

15 (f) cheese puffs or curls;

16 (g) pork rinds;

17 (h) popped popcorn;

18 (i) mixtures that contain one or more of
19 the items listed in Subparagraphs (d) through (h) of this
20 paragraph; or

21 (j) cookies, cakes, pies, donuts or
22 other pastries; and

23 (2) "retail food store" means an establishment
24 that sells food for home preparation and consumption and that
25 meets the definition of retail food store in 7 USCA

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[bracketed material] = delete

1 2012[~~(k)~~](p)(1) for purposes of the federal [~~food stamp~~
2 supplemental nutrition assistance program, whether or not the
3 establishment participates in the [~~food stamp~~] supplemental
4 nutrition assistance program."

5 Section 2. EFFECTIVE DATE.--The effective date of the
6 provisions of this act is July 1, 2010.

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