

1 HOUSE BILL 257

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024**

3 INTRODUCED BY

4 Jenifer Jones and Luis M. Terrazas

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10 AN ACT

11 RELATING TO TAXATION; EXPANDING A GROSS RECEIPTS TAX DEDUCTION
12 FOR THE SALE OF FOOD TO INCLUDE CONVENIENCE STORES LOCATED AT
13 LEAST THIRTY-FIVE MILES FROM THE NEAREST RETAIL FOOD STORE.

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

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

18 "7-9-92. DEDUCTION--GROSS RECEIPTS--SALE OF FOOD AT
19 RETAIL FOOD STORE OR CERTAIN CONVENIENCE STORES.--

20 A. Receipts from the sale of food by a retail food
21 store or a convenience store located at least thirty-five miles
22 from the nearest retail food store that are not exempt from
23 gross receipts taxation and are not deductible pursuant to
24 another provision of the Gross Receipts and Compensating Tax
25 Act may be deducted from gross receipts. The [~~deduction~~]

.227357.1

underscored material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 deductions provided by this section shall be separately stated
2 by the taxpayer.

3 B. For the purposes of this section:

4 (1) "convenience store" means an establishment
5 that sells food for home preparation and consumption, meets the
6 definition of retail food store in 7 USCA 2012(o)(1)(A) and has
7 at least twenty percent of the establishment's total sales in
8 staple foods for purposes of the federal supplemental nutrition
9 assistance program, whether or not the establishment
10 participates in the supplemental nutrition assistance program;

11 [~~(1)~~] (2) "food" means any food or food
12 product for home consumption that meets the definition of food
13 in 7 USCA 2012(k)(1) for purposes of the federal supplemental
14 nutrition assistance program; and

15 [~~(2)~~] (3) "retail food store" means an
16 establishment that sells food for home preparation and
17 consumption and that meets the definition of retail food store
18 in 7 USCA 2012(o)(1) for purposes of the federal supplemental
19 nutrition assistance program, whether or not the establishment
20 participates in the supplemental nutrition assistance program."

21 SECTION 2. EFFECTIVE DATE.--The effective date of the
22 provisions of this act is July 1, 2024.

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