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HOUSE BILL 568

**50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

INTRODUCED BY

Roberto "Bobby" J. Gonzales

AN ACT

RELATING TO TAXATION; CHANGING THE BASIS OF THE GASOLINE TAX  
AND THE SPECIAL FUEL EXCISE TAX FROM NUMBER OF GALLONS SOLD TO  
VALUE OF FUEL SOLD.

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

**SECTION 1.** Section 7-13-3 NMSA 1978 (being Laws 1971,  
Chapter 207, Section 3, as amended) is amended to read:

"7-13-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS  
"GASOLINE TAX".--

A. For the privilege of receiving gasoline in this  
state, there is imposed an excise tax at a rate provided in  
Subsection B of this section on each gallon of gasoline  
received in New Mexico.

B. The tax imposed by Subsection A of this section  
shall be [~~seventeen cents (\$.17) per gallon received in New~~

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underscored material = new  
~~[bracketed material] = delete~~

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1 ~~Mexico]~~ seven and two-tenths percent of the total amount of  
2 money or of the value of other consideration received per  
3 gallon received in New Mexico.

4 C. The tax imposed by this section may be called  
5 the "gasoline tax".

6 SECTION 2. Section 7-13-3.1 NMSA 1978 (being Laws 1979,  
7 Chapter 166, Section 7, as amended) is amended to read:

8 "7-13-3.1. GASOLINE INVENTORY TAX--IMPOSITION OF TAX--  
9 DATE PAYMENT OF TAX DUE.--

10 A. A gasoline inventory tax is imposed measured by  
11 the quantity of gallons of gasoline in the possession of a  
12 distributor or wholesaler on the day in which an increase in  
13 the excise tax imposed by Section 7-13-3 NMSA 1978 is  
14 effective. The taxable event is the existence of an inventory  
15 in the possession of a distributor or wholesaler on the day  
16 prior to the day in which an increase in the excise tax imposed  
17 by Section 7-13-3 NMSA 1978 is effective. The rate of the  
18 gasoline inventory tax to apply on each gallon of gasoline held  
19 in inventory by a distributor or wholesaler, as provided in  
20 Section 7-13-3.2 NMSA 1978, shall be the difference between the  
21 gasoline excise tax rate imposed on the day prior to the day in  
22 which the gasoline excise tax is increased subtracted from the  
23 gasoline excise tax rate imposed on the day that the gasoline  
24 excise tax rate increase is effective [~~expressed in cents per~~  
25 ~~gallon~~].

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[bracketed material] = delete

1           B. The gasoline inventory tax is to be paid to  
2 the department on or before the twenty-fifth day of the month  
3 following the month in which the taxable event occurs."

4           **SECTION 3.** Section 7-16A-3 NMSA 1978 (being Laws 1992,  
5 Chapter 51, Section 3, as amended) is amended to read:

6           "7-16A-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS  
7 SPECIAL FUEL EXCISE TAX.--

8           A. For the privilege of receiving or using special  
9 fuel in this state, there is imposed an excise tax at a rate  
10 provided in Subsection B of this section on each gallon of  
11 special fuel received in New Mexico.

12           B. The tax imposed by Subsection A of this section  
13 shall be [~~twenty-one cents (\$.21) per gallon of special fuel~~  
14 ~~received or used in New Mexico]~~ eight and seven-tenths percent  
15 of the total amount of money or of the value of other  
16 consideration received per gallon received or used in New  
17 Mexico.

18           C. The tax imposed by this section may be called  
19 the "special fuel excise tax"."

20           **SECTION 4.** Section 7-16A-4 NMSA 1978 (being Laws 1992,  
21 Chapter 51, Section 4) is amended to read:

22           "7-16A-4. SPECIAL FUEL INVENTORY TAX--IMPOSITION OF  
23 TAX--DATE PAYMENT OF TAX DUE.--

24           A. A "special fuel inventory tax" is imposed  
25 measured by the quantity of gallons of special fuel in the

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underscored material = new  
[bracketed material] = delete

1 possession of a supplier or bulk storage user on the day in  
2 which an increase in the special fuel excise tax rate is  
3 effective. The taxable event is the existence of an inventory  
4 in the possession of a supplier or bulk storage user on the day  
5 prior to the day in which an increase in the special fuel  
6 excise tax rate is effective. The rate of the special fuel  
7 inventory tax applicable to each gallon of special fuel held in  
8 inventory by a supplier or bulk storage ~~[use]~~ user, as provided  
9 in Section ~~[5 of the Special Fuels Supplier Tax Act]~~ 7-16A-5  
10 NMSA 1978, shall be the difference between the special fuel  
11 excise tax rate imposed on the day prior to the day in which  
12 the special fuel excise tax rate is increased, subtracted from  
13 the special fuel excise tax rate imposed on the day in which  
14 the special fuel excise tax rate increase is effective  
15 ~~[expressed in cents per gallon].~~

16 B. The special fuel inventory tax is to be paid to  
17 the department on or before the twenty-fifth day of the month  
18 following the month in which the taxable event occurs."

19 SECTION 5. EFFECTIVE DATE.--The effective date of the  
20 provisions of this act is July 1, 2011.