

TITLE 3: TAXATION
CHAPTER 2: GROSS RECEIPTS TAXES
PART 110: EXEMPTION - GROSS RECEIPTS TAX - BOATS

3.2.110.1 ISSUING AGENCY: Taxation and Revenue Department, Joseph M. Montoya Building, 1100 South St. Francis Drive, P.O. Box 630, Santa Fe NM 87504-0630
[11/15/96; 3.2.110.1 NMAC - Rn, 3 NMAC 2.22.2.1, 5/15/01]

3.2.110.2 SCOPE: This part applies to each person engaging in business in New Mexico and selling boats.
[11/15/96; 3.2.110.2 NMAC - Rn, 3 NMAC 2.22.2.2, 5/15/01]

3.2.110.3 STATUTORY AUTHORITY: Section 9-11-6.2 NMSA 1978.
[11/15/96; 3.2.110.3 NMAC - Rn, 3 NMAC 2.22.2.3, 5/15/01]

3.2.110.4 DURATION: Permanent.
[11/15/96; 3.2.110.4 NMAC - Rn, 3 NMAC 2.22.2.4, 5/15/01]

3.2.110.5 EFFECTIVE DATE: 11/15/96, unless a later date is cited at the end of a section, in which case the later date is the effective date.
[11/15/96; 3.2.110.5 NMAC - Rn, 3 NMAC 2.22.2.5 & A, 5/15/01]

3.2.110.6 OBJECTIVE: The objective of this part is to interpret, exemplify, implement and enforce the provisions of the Gross Receipts and Compensating Tax Act.
[11/15/96; 3.2.110.6 NMAC - Rn, 3 NMAC 2.22.2.6, 5/15/01]

3.2.110.7 DEFINITIONS: [Reserved.]
[11/15/96; 3.2.110.7 NMAC - Rn, 3 NMAC 2.22.2.7, 5/15/01]

3.2.110.8 ADDITIONAL EQUIPMENT:
A. Receipts from the sale of boat accessories, optional equipment and the like, whether sold separately or mounted on the boat, are not subject to this exemption except where such equipment is included in and is part of the sale of a boat and the value is included in computing the tax paid under Section 66-12-6.1 NMSA 1978 on the sale of a boat, as that term is defined in Section 66-12-3 NMSA 1978.
B. Example: M buys a boat from A Marina. Three days after M has purchased the boat M buys a canopy attachment for the boat from A. The value of the canopy attachment was not included in computing the tax imposed by Section 66-12-6.1 NMSA 1978 on the boat. A's receipts from the sale of the canopy are subject to the gross receipts tax.
C. Section 3.2.110.8 NMAC applies to transactions on or after July 1, 1987.
[12/17/87, 11/26/90, 11/15/96; 3.2.110.8 NMAC - Rn, 3 NMAC 2.22.2.8 & A, 5/15/01]

3.2.110.9 DISCOUNTING OF BOATS SALES CONTRACTS: Because the sale of commercial paper in itself is not subject to the gross receipts tax and because receipts from underlying transactions are exempt under Section 7-9-22.1 NMSA 1978, receipts from the sale of financing agreements to a bank or a financial corporation with respect to the sale of a boat subject to taxation under Section 66-12-6.1 NMSA 1978 are also exempt.
[12/17/87, 11/26/90, 11/15/96; 3.2.110.9 NMAC - Rn, 3 NMAC 2.22.2.9 & A, 5/15/01]

HISTORY OF 3.2.110 NMAC:

Pre-NMAC History:

BOR 67-2, NM Gross Receipts and Compensating Tax Regulations, September 1967, filed 9/29/67.

BOR 69-4, Regulations in Effect and Pertaining to the New Mexico Gross Receipts and Compensating Tax Act, 12-5-69, filed 12/5/69.

BOR 72-4, Regulations in Effect and Pertaining to the New Mexico Gross Receipts and Compensating Tax Act, 3/9/72, filed 3/9/72.

BOR 74-2, Regulations in Effect and Pertaining to the New Mexico Gross Receipts and Compensating Tax Act, 12/15/73, filed 3/20/74.

BOR 76-1, Regulations in Effect and Pertaining to the New Mexico Gross Receipts and Compensating Tax Act, 7/26/76, filed 7/26/76.

R.D.79-1, Gross Receipts and Compensating Tax Act Regulations, filed 6/18/79.

R.D. Rule No. 82, Regulations Pertaining to the Gross Receipts and Compensating Tax Act, Sections 7-9-1 to 7-9-80.1 NMSA 1978, filed 4/7/82.

R.D. Rule No. 84, Regulations Pertaining to the Gross Receipts and Compensating Tax Act, Sections 7-9-1 to 7-9-80.1 NMSA 1978, filed 5/4/84.

TRD Rule No. 9-86, Regulations Pertaining to the Gross Receipts and Compensating Tax Act, Sections 7-9-1 to 7-9-80.1 NMSA 1978, filed 4/2/86.

TRD Rule GR-90, Regulations Pertaining to the Gross Receipts and Compensating Tax Act, Sections 7-9-1 to 7-9-80.1 NMSA 1978, filed 11/26/90.

History of Repealed Material: [RESERVED]

NMAC History:

3 NMAC 2.22.2, Exemption - Gross Receipts Tax - Boats, filed 11/4/96.

3.2.110 NMAC, Exemption - Gross Receipts Tax - Boats, filed 4/30/2001.