

TITLE 3: TAXATION
CHAPTER 2: GROSS RECEIPTS TAXES
PART 126: EXEMPTION - COMPENSATING TAX - USE OF ELECTRICITY IN THE PRODUCTION AND TRANSMISSION OF ELECTRICITY

3.2.126.1 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; 3.2.126.1 NMAC - Rn, 3 NMAC 2.38.1, 5/15/01]

3.2.126.2 SCOPE: This part applies to each person selling or transmitting electricity.
[11/15/96; 3.2.126.2 NMAC - Rn, 3 NMAC 2.38.2, 5/15/01]

3.2.126.3 STATUTORY AUTHORITY: Section 9-11-6.2 NMSA 1978.
[11/15/96; 3.2.126.3 NMAC - Rn, 3 NMAC 2.38.3, 5/15/01]

3.2.126.4 DURATION: Permanent.
[11/15/96; 3.2.126.4 NMAC - Rn, 3 NMAC 2.38.4, 5/15/01]

3.2.126.5 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; 3.2.126.5 NMAC - Rn, 3 NMAC 2.38.5 & A, 5/15/01]

3.2.126.6 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; 3.2.126.6 NMAC - Rn, 3 NMAC 2.38.6, 5/15/01]

3.2.126.7 DEFINITIONS: [Reserved.]
[11/15/96; 3.2.126.7 NMAC - Rn, 3 NMAC 2.38.7, 5/15/01]

3.2.126.8 USE OF ELECTRICITY IN PRODUCTION AND TRANSMISSION OF ELECTRICITY:
A. Electricity used directly in the operation of a generating plant of an electric utility in New Mexico and electricity used directly in the operation of transmission facilities of an electric utility in New Mexico is used in the production and transmission of electricity pursuant to Section 7-9-38 NMSA 1978 and is, therefore, exempted from the compensating tax.

B. Electricity used in the operation of offices, warehouses, or any facility of an electric utility in New Mexico other than directly in a generating plant or transmission facility is not used in the production or transmission of electricity within the meaning of Section 7-9-38 NMSA 1978 and the value of such electricity is, therefore, subject to the compensating tax.
[3/9/72, 11/20/72, 3/20/74, 7/26/76, 6/18/79, 4/7/82, 5/4/84, 4/2/86, 11/26/90, 11/15/96; 3.2.126.8 NMAC - Rn, 3 NMAC 2.38.8 & A, 5/15/01]

HISTORY OF 3.2.126 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 2.38, Exemption - Compensating Tax - Use of Electricity in the Production and Transmission of Electricity, filed 11/4/96.

3.2.126 NMAC, Exemption - Compensating Tax - Use of Electricity in the Production and Transmission of Electricity, filed 4/30/2001.