

**TITLE 3: TAXATION**  
**CHAPTER 2: GROSS RECEIPTS TAXES**  
**PART 248: DEDUCTION - GROSS RECEIPTS TAX - MEDICAL TREATMENT OF CATTLE**

**3.2.248.1 ISSUING AGENCY:** Taxation and Revenue Department, Joseph M. Montoya Building, 1100 South St. Francis Drive, P.O. Box 630, Santa Fe NM 87504-0630  
[3.2.248.1 NMAC - N, 5/15/08]

**3.2.248.2 SCOPE:** This part applies to each person engaging in business in New Mexico.  
[3.2.248.2 NMAC - N, 5/15/08]

**3.2.248.3 STATUTORY AUTHORITY:** Section 9-11-6.2 NMSA 1978.  
[3.2.248.3 NMAC - N, 5/15/08]

**3.2.248.4 DURATION:** Permanent.  
[3.2.248.4 NMAC - N, 5/15/08]

**3.2.248.5 EFFECTIVE DATE:** 5/15/08, unless a later date is cited at the end of a section, in which case the later date is the effective date.  
[3.2.248.5 NMAC - N, 5/15/08]

**3.2.248.6 OBJECTIVE:** The objective of this part is to interpret, exemplify, implement and enforce the provisions of the Gross Receipts and Compensating Tax Act.  
[3.2.248.6 NMAC - N, 5/15/08]

**3.2.248.7 DEFINITIONS:** [Reserved.]

**3.2.248.8 WRITTEN STATEMENT OF FARMING OR RANCHING**

A. Receipts from providing veterinary medical services or from selling medicine or medical supplies used in the medical treatment of cattle to a person who states in writing that they are regularly engaged in the business of ranching or farming may be deducted from the seller's gross receipts pursuant to Section 7-9-109 NMSA 1978. The written statement must be accepted in good faith by the seller in order for the seller to take the deduction authorized by Section 7-9-109 NMSA 1978. The good faith acceptance requirement applies to each transaction intended to be covered by the written statement.

B. The following is an example of a statement that will be accepted by the department as conclusive evidence that receipts from selling enumerated items to persons signing the statement may be deducted from the seller's gross receipts pursuant to Section 7-9-109 NMSA 1978 if the seller accepted such a statement in good faith. "I swear or affirm that I am regularly engaged in the business of farming or ranching. This declaration is made for the purpose of allowing receipts from selling veterinary medical services, medicine and medical supplies used in the medical treatment of cattle to be deducted from the gross receipts of the seller pursuant to Section 7-9-109 NMSA 1978."

C. Receipts from selling any of the items mentioned in Section 7-9-109 NMSA 1978 to a person engaged in the farming or ranching business may not be deducted from gross receipts unless the sale is made to a person who makes a written statement which is in compliance with 3.2.248.8 NMAC.

D. For the purposes of Section 7-9-109 NMSA 1978 it is sufficient if the seller receives one written statement from each purchaser, provided the seller maintains that statement on file.

E. When the seller accepts in good faith a person's written statement that the person is regularly engaged in the business of farming or ranching, the written statement shall be conclusive evidence that the receipts from the transaction with the person having made the statement are deductible from the seller's gross receipts under Section 7-9-109 NMSA 1978.

[3.2.248.8 NMAC - N, 5/15/08]

History of 3.2.248 NMAC: [RESERVED]