



The Legislature of the State of New Mexico

51st Legislature, 2nd Session

LAWS 2014

CHAPTER 18

HOUSE BILL 288, as amended

Introduced by

REPRESENTATIVE ROBERTO "BOBBY" J. GONZALES

REPRESENTATIVE DEBBIE A. RODELLA
REPRESENTATIVE NICK L. SALAZAR



CHAPTER 18

AN ACT

RELATING TO TAXATION; PROVIDING A DEDUCTION FOR CERTAIN
BIODIESEL FOR SUBSEQUENT BLENDING OR RESALE BY A RACK
OPERATOR.

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

SECTION 1. Section 7-13A-5 NMSA 1978 (being Laws 1990,
Chapter 124, Section 18) is amended to read:

"7-13A-5. DEDUCTION--GASOLINE OR SPECIAL FUELS
RETURNED--BIODIESEL FOR SUBSEQUENT BLENDING OR RESALE BY A
RACK OPERATOR.--

A. Refunds and allowances made to buyers for
gasoline or special fuels returned to the refiner, pipeline
terminal operator or distributor or amounts of gasoline or
special fuels, the payment for which has not been collected
and has been determined to be uncollectible pursuant to
provisions of regulations issued by the secretary may be
deducted from gallons used to determine loads for the purposes
of calculating the petroleum products loading fee. If such a
payment is subsequently collected, the gallons represented
shall be included in determining loads. The deduction under
the provisions of this section shall not be allowed if the
petroleum products loading fee has not been paid previously on
the petroleum products that were returned to the seller or the
sale of which created an uncollectible debt.

1 B. Biodiesel, as defined in the Special Fuels
2 Supplier Tax Act, loaded in or imported into New Mexico and
3 delivered to a rack operator for subsequent blending or resale
4 by a rack operator may be deducted from gallons used to
5 determine loads for the purposes of calculating the petroleum
6 products loading fee.

7 C. A taxpayer that deducts an amount of biodiesel
8 pursuant to Subsection B of this section shall report the
9 deducted amount separately with the taxpayer's return in a
10 manner prescribed by the department.

11 D. The department shall calculate the aggregate
12 amount, in dollars, of the difference between the amount of
13 the petroleum products loading fee that would have been
14 collected in a fiscal year if not for the deduction allowed
15 pursuant to Subsection B of this section and the amount of the
16 petroleum products loading fee actually collected. The
17 department shall compile an annual report that includes the
18 aggregate amount, the number of taxpayers that deducted an
19 amount of biodiesel pursuant to Subsection B of this section
20 and any other information necessary to evaluate the deduction.
21 Beginning in 2019 and every five years thereafter, the
22 department shall compile and present the annual reports to the
23 revenue stabilization and tax policy committee and the
24 legislative finance committee with an analysis of the costs
25 and benefits to the state of the deduction.

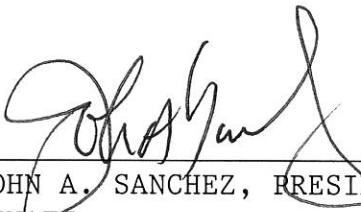
1 E. For purposes of this section, "rack operator"
2 means the operator of a refinery in this state or the owner of
3 special fuel stored at a pipeline terminal in this state."

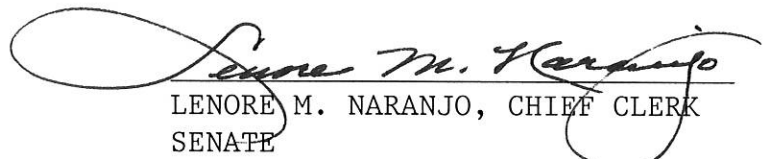
4 **SECTION 2. APPLICABILITY.**--The provisions of this act
5 apply to biodiesel loaded in or imported into New Mexico on or
6 after July 1, 2014. _____

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W. KEN MARTINEZ, SPEAKER
HOUSE OF REPRESENTATIVES


STEPHEN R. ARIAS, CHIEF CLERK
HOUSE OF REPRESENTATIVES


JOHN A. SANCHEZ, PRESIDENT
SENATE


LENORE M. NARANJO, CHIEF CLERK
SENATE

Approved by me this 5th day of March, 2014


SUSANA MARTINEZ, GOVERNOR
STATE OF NEW MEXICO