

## Sales/Use:

### New Mexico: Proposed Rules Address Gross Receipts Taxation of Marketplaces and Services Performed

*Proposed N.M. Regs. Sections 3.2.1.18, 3.2.1.21, 3.2.1.23, 3.2.300.9*, N.M. Tax. & Rev. Dept. (7/2/21). The New Mexico Taxation and Revenue Department issued proposed administrative regulations covering the new method of sourcing for marketplace providers and sellers. The proposal includes an explanation of how a service provider's receipts derived from performing a service in New Mexico, or performing a service outside New Mexico the product of which is initially used in New Mexico, generally are subject to New Mexico's gross receipts tax unless a specific exemption or deduction provided under state law applies. The proposal includes definitions for relevant terms, explains instances of partial performance of services within New Mexico, and a possible credit for taxes paid on services performed outside New Mexico. Written comments on this proposal may be submitted at the virtual public hearing, which is scheduled for August 10, 2021. Please contact us with any questions.

**URL:** [https://www.tax.newmexico.gov/all-nm-taxes/wp-content/uploads/sites/9/2021/07/Mailing-Notice-07.02.2021\\_SSC.pdf](https://www.tax.newmexico.gov/all-nm-taxes/wp-content/uploads/sites/9/2021/07/Mailing-Notice-07.02.2021_SSC.pdf)

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