

# New Mexico Gross Receipts Tax

## Electricity Consumed in a Manufacturing Process



Beginning January 1, 2013, a gross receipts tax deduction is available for property, including electricity, consumed in a manufacturing process.

For detailed information about this deduction, see the New Mexico Taxation and Revenue Department (NMTRD) website: [tax.newmexico.gov/businesses/gross-receipts/pages/home.aspx](http://tax.newmexico.gov/businesses/gross-receipts/pages/home.aspx)

### HOW TO RECEIVE THE BENEFIT OF THIS DEDUCTION

1. Complete NMTRD Form RPD-41377, *Manufacturers Agreement to Pay Gross Receipts Tax on Behalf of a Utility Company for Certain Utility Sales*. Sign the form on page 2. The form and detailed instructions are available on the NMTRD website.

Specific instructions:

- A separate form must be completed for each manufacturing location.
  - In the box labeled, "Effective Date of This Agreement," please write, "First day of the billing cycle following execution of a Type 12 NTTC." PNM will stop collecting gross receipts taxes from you on your bill for the billing period beginning after you present PNM with a valid Type 12 nontaxable transaction certificate (discussed below).
2. Mail the completed form with original signatures to:  
PNM TAX DEPT. MANUFACTURERS DEDUCTION  
CORPORATE HEADQUARTERS  
ALBUQUERQUE, NM 87158-1025.
  3. PNM will review the Agreement and confirm your account information. If everything appears correct, we will sign the Agreement and send the original form back to you. If corrections are needed, or if information is missing, we will return the forms to you for revision.
  4. When you have received the signed form from PNM, it must be submitted, along with Form RPD-41378, *Application for Type 11 or Type 12 Nontaxable Transaction Certificates*, to NMTRD. Be sure to complete Section E. Detailed form instructions are available on the NMTRD website.
  5. NMTRD should then issue you a Type 12 NTTC. Please provide PNM the NTTC in paper form via mail to the address above.
  6. Once PNM stops collecting gross receipts tax in your bill, you will be responsible for paying the tax on electricity that is not consumed in your manufacturing process, taking into account the phase-in period of the deduction. Again, please see the NMTRD website for guidance.
  7. Note that you will need to have a separate NTTC for each of your utility providers. The process presented here is solely for your PNM electric account(s).

If you have questions about the manufacturing gross receipts tax deduction, please contact your local NMTRD office. Please note that PNM cannot provide you with tax advice.