
The State of New Mexico imposes a gross receipts tax on any person engaged in business in New Mexico. The tax is a percentage of all receipts of the business. Any person doing business with NMHU must be registered with the Taxation and Revenue Department to pay gross receipts tax.

Questions about whether specific items are taxable or non-taxable should be referred to the State Department of Taxation and Revenue at (505) 841-8000. Conversations with the State office must be noted on your document.

Tangible Personal Property

NMHU is exempt, as a State agency, from paying gross receipts tax on the purchase of tangible personal property. Tangible personal property is physical items, i.e. things you can hold in your hand. NMHU will not reimburse for tax paid on tangible personal property. This applies to both the Petty Cash form and the Check Request form. Goods purchased from out of state vendors through the mail or over the phone are considered "interstate commerce" and are non-taxable. If the out of state vendor maintains an office in New Mexico or has a sales representative which visits New Mexico, the sales are taxable unless the Purchasing Department has issued a tax exempt certificate to the vendor.

Services

NMHU is required to pay tax on all services, hotel charges, freight charges, etc.

NMHU will reimburse employees for tax paid on restaurant charges.

Construction items will be determined to be taxable or non-taxable by the Purchasing Department.

Note: Photo developing and photo copying are considered a service.

Certificates

The Purchasing Department will, upon request, provide the vendor with a tax exempt certificate. The Certificate covers all transactions between the vendor and NMHU, regardless of which department requested the Certificate.

Tax Rate

The tax rate may include local tax. The applicable tax rate is the rate at the vendor's primary location, except for construction which uses the rate applicable to the construction site.