

Application for Type 11 or 12 Nontaxable Transaction Certificates

Deduction for Tangibles Consumed in the Manufacturing Process

Use this form to apply for a Type 11 or Type 12 nontaxable transaction certificate (NTTC) for selling a manufacturing consumable or selling or leasing qualified equipment to manufacturer or a manufacturing service provider. Complete and submit the first page of this Form RPD-41378. If applying for a Type 12 NTTC for utilities that are a manufacturing consumable, also attach the Section E, G, W or O as a supplement to the application. Attach Section E, if electricity is consumed; Section G, if natural gas is consumed; Section W, if water is consumed or Section O, if any other utility is consumed in the manufacturing process of the product.

Name	New Mexico Business Tax Identification Number (NMBTIN)	
Name of contact	Phone number	E-mail address

The Type of NTTC applied for on this application. Type 11 NTTC Type 12 NTTC

Qualifying as a Manufacturer or Manufacturing Service Provider

Manufacturing means combining or processing components or materials to increase their value for sale in the ordinary course of business, but does not include construction. A manufacturing service means the service of combining or processing components or materials owned by another. See the instructions for more information on what constitutes manufacturing. All manufacturers and manufacturing service providers wishing to take advantage of a deduction for the sale of tangible personal property consumed in the manufacturing process must complete this section.

1. Describe the product or products produced in the manufacturing operation.

2. Briefly describe the manufacturing process or the part of the manufacturing process that you are involved in.

3. If you are a manufacturer, do you purchase the components or materials that are being combined in the manufacturing process? If no, explain. If you are a manufacturing service provider, are the components or materials owned by another?

4. Is the final product sold by the manufacturer in the ordinary course of their business?

5. Do you build the final product to your customers' orders? If yes, describe the modifications you typically make.

6. Is the value of the tangible personal property which has been combined with other tangibles or which has been processed, increased as a direct result of the manufacturing process?

I declare I have examined this application and all attachments, and to the best of my knowledge and belief this application is true, correct and complete.

Signature of Manufacturer, Manufacturing Service Provider, or Authorized Representative

Date

Section E: Electricity that is a Manufacturing Consumable

You must complete Section E to obtain approval to execute a Type 12 Nontaxable Transaction Certificate (NTTC) for electricity that is consumed in your manufacturing process. Complete a new Section E for each manufacturing facility location where you manufacture products to which all or part of the electricity used is consumed in the manufacturing process. You must complete this section to benefit from the deduction for electricity consumed in the manufacturing process. A signed agreement between you and the utility company supplying the electricity must accompany this application. You must maintain all records necessary to demonstrate the validity and accuracy of the electricity consumed in the manufacturing process.

Check one to describe the application submitted.

- New application Renewal of an application (Every three years) Report changes on the application

Name	NMBTIN	
Enter the physical location of the facility where the manufacturing process occurs.		
Physical address		
City	State	ZIP
Name of contact	Phone number	E-Mail address
Name of the company supplying the electricity	Your utility company account number	Meter number
	NMBTIN for the utility company	

1. Enter the estimated percentage of the total electricity consumed at the facility where the manufacturing process occurs that is consumed in the manufacturing process. _____ %
2. In the space below, describe the basis for the estimated percentage used in line 1.

For Department Use Only

This application for a Type 12 NTTC is approved by the Taxation and Revenue Department and authorizes that the Type 12 NTTC may be executed by the applicant named, to utility company selling the electricity for purposes of the deduction for electricity consumed in the manufacturing process that is conducted at the above location.

The percentage of the total electricity that is consumed in the manufacturing process is: _____ %

This Type 12 NTTC may be allowed for electricity sold on or after: _____

But not after: _____

Signature of Secretary or Delegate	Date
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Section G: Natural Gas that is a Manufacturing Consumable

You must complete Section G to obtain approval to execute a Type 12 Nontaxable Transaction Certificate (NTTC) for natural gas that is consumed in the manufacturing process. Complete a new Section G for each manufacturing facility location where you manufacture products to which all or part of the natural gas used is consumed in the manufacturing process. You must complete this section to benefit from the deduction for natural gas consumed in the manufacturing process. A signed agreement between you and the utility company supplying the natural gas must accompany this application. You must maintain all records necessary to demonstrate the validity and accuracy of the natural gas consumed in the manufacturing process.

Check one to describe the application submitted.

- New application Renewal of an application (Every three years) Report changes on a previous application

Name		NMBTIN
Enter the physical location of the facility where the manufacturing process occurs.		
Physical address		
City	State	ZIP
Name of contact	Phone number	E-mail address
Name of the company supplying the natural gas	Your utility company account number	Meter number
	NMBTIN for the utility company	

1. Enter the estimated percentage of the total gas consumed at the facility where the manufacturing process occurs that is consumed in the manufacturing process. _____ %
2. In the space below, describe the basis for the estimated percentage used in line 1.

For Department Use Only

This application for a Type 12 NTTC is approved by the Taxation and Revenue Department and authorizes that the Type 12 NTTC may be executed by the applicant named, to the utility company selling the natural gas for purposes of the deduction for the natural gas consumed in the manufacturing process that is conducted at the above location.

The percentage of the total natural gas that is consumed in the manufacturing process is: _____ %

This Type 12 NTTC may be allowed for natural gas sold on or after: _____

But not after: _____

Signature of Secretary or Delegate	Date
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Section W: Water that is a Manufacturing Consumable

You must complete Section W to obtain approval to execute a Type 12 Nontaxable Transaction Certificate (NTTC) for water that is consumed your manufacturing process. Complete a new Section W for each manufacturing facility location where you manufacture products to which all or part of the water used is consumed in the manufacturing process. You must complete this section to benefit from the deduction for water consumed in the manufacturing process. A signed agreement between you and the utility company supplying the water must accompany this application. You must maintain all records necessary to demonstrate the validity and accuracy of the water consumed in the manufacturing process.

Check one to describe the application submitted.

- New application Renewal of an application (Every three years) Report changes on a previous application

Name	NMBTIN	
Enter the physical location of the facility where the manufacturing process occurs.		
Physical address		
City	State	ZIP
Name of contact	Phone number	E-mail address
Name of the company supplying the water	Your utility company account number	Meter number
	NMBTIN for the water company	

1. Enter the estimated percentage of the total water consumed at the facility where the manufacturing process occurs that is consumed in the manufacturing process. _____ %
2. In the space below, describe the basis for the estimated percentage used in line 1.

For Department Use Only

This application for a Type 12 NTTC is approved by the Taxation and Revenue Department and authorizes that the Type 12 NTTC may be executed by the applicant named, to the utility company selling the water for purposes of the deduction for the water consumed in the manufacturing process that is conducted at the above location.

The percentage of the total water that is consumed in the manufacturing process is: _____ %

This Type 12 NTTC may be allowed for water sold on or after: _____

But not after: _____

Signature of Secretary or Delegate	Date
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Section O: Other Utilities that are Manufacturing Consumables

You must complete Section O to obtain approval to execute a Type 12 Nontaxable Transaction Certificate (NTTC) for utilities other than electricity, natural gas or water that is consumed in your manufacturing process. Complete a new Section O for each manufacturing facility location where you manufacture products to which all or part of the utility used is consumed in the manufacturing process. You must complete this section to benefit from the deduction for the utility consumed in the manufacturing process. A signed agreement between you and the utility company supplying the utility must accompany this application. You must maintain all records necessary to demonstrate the validity and accuracy of the utility consumed in the manufacturing process.

Check one to describe the application submitted.

- New application Renewal of an application (Every three years) Report changes on a previous application

Name	NMBTIN	
Enter the physical location of the facility where the manufacturing process occurs.		
Physical address		
City	State	ZIP
Name of contact	Phone number	E-mail address
Name of the company supplying the other utility	Your utility company account number	Meter number
	NMBTIN of the utility company	
Describe the utility consumed in the manufacturing operation		

1. Enter the estimated percentage of the total utility consumed at the facility where the manufacturing process occurs that is consumed in the manufacturing process. _____ %
2. In the space below, describe the basis for the estimated percentage used in line 1.

For Department Use Only

This application for a Type 12 NTTC is approved by the Taxation and Revenue Department and authorizes that the Type 12 NTTC may be executed by the applicant named, to the utility company selling the utility for purposes of the deduction for the utility consumed in the manufacturing process that is conducted at the above location.

The percentage of the total utility that is consumed in the manufacturing process is: _____ %

This Type 12 NTTC may be allowed for the utility sold on or after: _____

But not after: _____

Signature of Secretary or Delegate	Date
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What is Manufacturing?

Manufacturing means combining or processing components or materials to increase their value for sale in the ordinary course of business but does not include construction services; farming; electric power generation; processing of natural resources, including hydrocarbons; or the processing or preparation of meals for immediate consumption.

Manufacturing service means the service of combining or processing components or materials owned by another, but does not include construction services; farming; electric power generation; processing of natural resources, including hydrocarbons; or the processing or preparation of meals for immediate consumption.

For purposes of this deduction, combining means assembling two or more pieces of tangible personal property to create another piece of personal property. Processing means to convert tangible personal property into a marketable form.

A person is engaged in the business of manufacturing only if:

- (1) that person combines or processes components or materials;
- (2) the value of the tangible personal property which has been combined with other tangibles or which has been processed has increased as a direct result of the manufacturing process; and
- (3) the person manufacturing sells the same or similar type of manufactured products in the ordinary course of business.

Transactions that meet the definition of “manufacturing” may be found in the examples provided under Regulation 3.2.1.25 NMAC. However, as of January 1, 2022, the deductions for which type 11 and type 12 nontaxable transaction certificates (NTTCs) provide support also include sales to a “manufacturing service” provider. As defined above, this includes sales to an individual performing the service of combining or processing components or materials not owned by that individual.

Deductions for Sales to Manufacturers and Manufacturing Service Providers:

Receipts from selling tangible personal property may be deducted from gross receipts or from governmental gross receipts if the sale is made to a person engaged in the business of manufacturing who delivers an appropriate NTTC to the seller. A seller may accept a Type 2 NTTC for the sale of tangible personal property sold to a manufacturer that becomes an ingredient or component part of the product that the buyer is in the business of manufacturing (Section 7-9-46A). The seller may also accept a Type 11 or Type 12 NTTC for the sale of a **manufacturing consumable** to a manufacturer or manufacturing service provider (Section 7-9-46B). The seller may accept a Type 11 NTTC for the sale or lease of **qualified equipment** to a manufacturer or manufacturing service provider, provided the buyer shall not claim an investment credit pursuant to the Investment Credit Act on the same equipment (Section 7-9-46C).

Type 2 NTTC - A buyer delivering the NTTC must incorporate the tangible personal property as an ingredient or component part of the product that the buyer is in the business of manufacturing.

Type 11 NTTC - A buyer delivering the NTTC must be a manufacturer or a manufacturing service provider and the purchase must be for a manufacturing consumable*. (See the footnote below if the manufacturing consumable sold is electricity, natural gas, water or another utility.)

A buyer may deliver this NTTC for the purchase or lease of qualified equipment provided the manufacturer or manufacturing service provider shall not claim an investment credit pursuant to the Investment Credit Act on the same equipment.

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Type 12 NTTC - A buyer delivering the NTTC must use the utilities purchased in such a way that the utilities are consumed in the manufacturing of a product.

* Generally, the sale of manufacturing consumable that is electricity, natural gas, water or any other utility consumed in the manufacturing of a product, requires the execution of a Type 12 NTTC to substantiate a deduction taken under Section 7-9-46B. Only under the limited circumstance where the utility purchased is 100% consumed in the manufacturing of a product, should the seller may accept a Type 11 NTTC.

Manufacturing Consumable is...

tangible personal property, other than qualified equipment or an ingredient or component part of a manufactured product, that is incorporated into, destroyed, depleted or transformed in the process of manufacturing a product, including electricity, fuels, water, manufacturing aids and supplies, chemicals, gases and other tangibles used to manufacture a product.

Qualified equipment is...

machinery, equipment and tools, including component, repair, replacement and spare parts thereof, that are used directly in the manufacturing process of a **manufacturing operation**. "Qualified equipment" includes computer hardware and software used directly in the manufacturing process of a manufacturing operation but excludes any motor vehicle that is required to be registered in this state pursuant to the Motor Vehicle Code.

A manufacturing operation is...

a plant operated by a manufacturer or manufacturing service provider that employs personnel to perform production tasks to produce goods, in conjunction with machinery and equipment.

How to Apply for the Nontaxable Transaction Certificates:

In order to take advantage of the deduction provided under Section 7-9-46B when purchasing manufacturing consumables that are utilities, the manufacturer or manufacturing service provider **must** apply with the Department for the applicable NTTC.

- If applying for a Type 2 NTTC for tangible property that becomes an ingredient or component part of the final product, the manufacturer must apply for the NTTCs using Form ACD-31050, *Application for Nontaxable Transaction Certificates*. You may file your application online using Taxpayer Access Point (TAP) on the Department's web site at <https://tap.state.nm.us/Tap> or by paper, at one of the Department's local district offices listed on the last page of these instructions. See Form ACD-31050 for details. When applying for a Type 2 NTTC, you do not need to submit this Form RPD-41378, *Application for Type 11 or 12 Nontaxable Transaction Certificates*.
- If applying for a Type 11 NTTC for manufacturing consumables, other than utilities, you need to complete and submit only the first page of this Form RPD-41378 to the Department. You do not need to file Form ACD-31050 to obtain Type 11 NTTCs.
- If applying for a Type 12 NTTC for utilities that are manufacturing consumables, you need to complete and submit the first page of this Form RPD-41378, plus any of the applicable Sections E, G, W or O to the Department.

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- Section E, if electricity is consumed in the manufacturing process;
- Section G, if natural gas is consumed in the manufacturing process;
- Section W, if water is consumed in the manufacturing process, or
- Section O, if any other utility is consumed in the manufacturing process.

If the manufacturer or manufacturing service provider has more than one location where the manufacturing process occurs and utilities are consumed in the manufacturing process, the manufacturer or manufacturing service provider must submit a separate Section E, G, W or O for each location. The manufacturer or manufacturing service provider must submit applications for Type 12 NTTCs for different utilities separately.

Form RPD-41377, *Manufacturers Agreement to Pay Gross Receipts Tax on Behalf of a Utility Company for Certain Utility Sales*, must also be completed and signed by the utility company to whom the utility is purchased and the manufacturing business consuming the utility. A Form RPD-41377 must be completed for each utility company and must specify the effective date of the agreement. The agreement must be submitted with Form RPD-41378, *Application for Type 11 or 12 Nontaxable Transaction Certificates*.

Additionally, the manufacturer or manufacturing service provider who is taking the deduction for utilities consumed in the manufacturing process must establish the anticipated annual percentage of the utilities that are actually consumed in the manufacturing of the product. The manufacturer's percentage of use of the utility consumed in manufacturing of a product is declared and reported to the Department on the appropriate Section E, G, W or O, filed at the time the NTTC application is submitted. The manufacturer may base its percentage on any reasonable criteria - for example square footage, engineer's report, measured usage. If at any time the usage changes, the manufacturer must submit a new Section E, G, W or O to report the change.

Type 12 NTTCs expire three years after the effective date. The manufacturer or manufacturing service provider must re-apply for the Type 12 NTTCs to continue taking advantage of the deduction for utilities consumed in the manufacturing process, and utility companies must begin paying the gross receipts on the sale of any utilities to the manufacturer if a valid Type 12 NTTC is not in their possession prior to the expiration date. The expiration date is printed on the face of the Type 12 NTTC.

Claiming the Deduction:

Type 2 - For the deduction of sales of tangible personal property to a manufacturer that will become an ingredient or component part of the product that the business is manufacturing, under Section 7-9-46A, please note that the seller must claim the deduction on a separate line and use the required deduction code on the gross receipts tax return as shown in the following the example.

Example A

	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I
	Muni/County	Location Code	Special Rate Code	GR (ex-clude Tax)	Deduction Code	Deduction Amount	Taxable GR	Tax Rate	GRT Due
1	Albuquerque	02-100		10,000	G0-999	1,300	8,700	7.75%	674.25
2	Santa Fe	01-123		15,000	G0-999	300	14,700	8.3125%	1221.94
3	Albuquerque	02-100		1,700	D0-002	1,700	0	7.75%	0

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On the gross receipts tax return (Form TRD-41413, if filing the paper return), the seller reports all deductible sales to a manufacturer under Section 7-9-46A, and substantiated by a Type 2 NTTC, on a separate line for each location and uses the deduction code D0-002 in Column E. All other sales and deductions are reported separately. In Example A, the sale of tangible personal property that is deductible because it is sold to a manufacturer to be incorporated into or as an ingredient component part of the manufactured product and reported to the location code for Albuquerque is reported on line 3. All other sales and deductions are reported on lines 1 and 2 based on the appropriate reporting location for those receipts.

In Example A, also note that the seller has only one reporting location where it sells tangible personal property for which the Type 2 NTTC deduction applies. If the seller had multiple reporting locations for the deduction, additional lines would be used for each location. The seller reports the deductible sales for that location on a separate line using deduction code D0-002, which is entered on column E.

Type 11 - For the deduction for sales of manufacturing consumables* to a manufacturer or a manufacturing service provider, or for the sale or lease of qualified equipment, when the manufacturer or manufacturing service provider is not claiming an investment credit with respect to the qualified equipment, the seller claims the deduction on the gross receipts tax return as shown in the following example.

* Generally, the sale of manufacturing consumable that is electricity, natural gas, water or any other utility consumed in the manufacturing of a product, requires the execution of a Type 12 NTTC to substantiate a deduction taken under Section 7-9-46B. Only under the limited circumstance where the utility purchased is 100% consumed in the manufacturing of a product, may the seller may accept a Type 11 NTTC.

Example B

	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I
	Muni/County	Location Code	Special Rate Code	GR (exclude Tax)	Deduction Code	Deduction Amount	Taxable GR	Tax Rate	GRT Due
1	Albuquerque	02-100		10,000	G0-999	1,300	8,700	7.75%	674.25
2	Santa Fe	01-123		15,000	G0-999	300	14,700	8.3125%	1221.94
3	Albuquerque	02-100		6,000	D0-003	6,000	0	7.75%	0
4	Santa Fe	01-123		4,000	D0-003	4,000	0	8.3125%	0

On gross receipts tax return (Form TRD-41413, if filing by paper), the seller reports the sales that are deductible under Section 7-9-46B, and substantiated by a Type 11 NTTC, on a separate line for that location code and uses the deduction code D0-003 in Column E. The portion of the sales that are not deductible, and all other sales and deductions not required to be reported separately, are reported on the appropriate line according to location code. In Example B, the sale of a manufacturing consumable sold to a manufacturer or manufacturing service provider is reported on line 3 and 4. All other sales and deductions are reported in lines 1 and 2.

In Example B, the seller has \$10,000 in sales of manufacturing consumables which qualify for the deduction provided under Section 7-9-46B, supported by the Type 11 NTTC. \$6,000 of those sales were delivered to an Albuquerque location, which is reported on line 3, and \$4,000 of those sales were delivered to a Santa Fe location, which is reported on line 4. The remaining \$25,000 in sales were receipts reported for Albuquerque and Santa Fe and include deductions that were not required to be reported separately.

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Deduction for Tangibles Consumed in the Manufacturing Process

Instructions

Type 12 - For the deduction for the sale of a manufacturing consumable that is electricity, natural gas, water or any other utility to a manufacturer or a manufacturing service provider, the seller claims the deduction on the gross receipts tax return as shown in the following examples.

The company engaged in manufacturing must have a fully executed Form RPD- 41377, an agreement with the utility company whereby the buyer agrees to pay the gross receipts tax due for the sale of utilities sold to the manufacturer. All receipts from the purchase of the utilities by the manufacturer or manufacturing service provider are then reported on the manufacturer's or manufacturing service provider's gross receipts tax return and the receipts that qualify for the deduction are subtracted from the taxable gross receipts.

The manufacturer or manufacturing service provider is responsible for any tax due including any penalties and interest that may accrue on the tax due for the utilities purchased.

Form RPD-41377, the agreement, must be included in the application package. The manufacturer must report the receipts sold by the utility company on its gross receipts tax return in the manner described in these instructions.

Reporting Instructions for the Utility Company

The utility company deducts 100% of the utilities sold to a manufacturer who has executed a Type 12 NTTC to the utility company. The manufacturer is responsible for reporting the gross receipts or governmental gross receipts and paying gross receipts tax on any portion of the utilities sold that are not consumed in the manufacturing process.

Example C

	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I
	Muni/County	Location Code	Special Rate Code	GR (ex-clude Tax)	Deduction Code	Deduction Amount	Taxable GR	Tax Rate	GRT Due
1	Albuquerque	02-100		10,000	G0-999	1,300	8,700	7.75%	674.25
2	Albuquerque	02-100		80	D0-003	80	0	7.75%	0

In Example C, the utility company sold \$80 worth of electricity to a manufacturer located in Albuquerque, who executed a Type 12 NTTC to the utility company. The utility company deducts 100% of the sale of the electricity to the qualifying manufacturer, and reports this deductible amount from electricity sold to customers on a separate line, using the appropriate location code in Column B and using the deduction code D0-003 in Column E.

Reporting Instructions for Manufacturers and Manufacturing Service Providers for Deductible Utility Purchases

The manufacturer or manufacturing service provider reports all receipts from the purchase of utilities in which a Form RPD-41377, *Manufacturers Agreement to Pay Gross Receipts Tax on Behalf of a Utility Company for Certain Utility Sales*, has been executed. The receipts that qualify for the deduction are then subtracted from the gross receipts reported. This amount is determined based on the percentage of the utility consumed in manufacturing the product that was declared and reported to the Department on the appropriate section of Form

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RPD-41378, either Section E, G, W or O, filed at the time the NTTC application was submitted. If at any time the usage changes, the manufacturer or manufacturing service provider must submit a new Section E, G, W or O to report the change.

When the manufacturer or manufacturing service provider reports the gross receipts and deduction for the utility for which a Type 12 NTTC has been delivered, the type of utility must be indicated with a special rate code. The code is reported in Column C on the gross receipts tax return. The codes are as follows:

- E -- Electricity
- G -- Natural Gas
- W -- Water
- O -- Other

In Column B, Location Code, the manufacturer or manufacturing service provider reports the location code based on the premises where the utility is delivered. This is generally the location of the utility meter. If the seller is a governmental entity, the manufacturer or manufacturing service provider will need to file a governmental gross receipts tax return in order to report the receipts for the utility and take the deduction on that return. The receipts are reported and deducted on that return in the same way as on the gross receipts tax return.

Example D

	Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I
	Muni/County	Location Code	Special Rate Code	GR (ex-clude Tax)	Deduction Code	Deduction Amount	Taxable GR	Tax Rate	GRT Due
1	Albuquerque	02-100		10,000		0	10,000	7.75%	775
2	Albuquerque	02-100	E	1,000	D0-003	650	350	7.75%	27.13
3	Albuquerque	02-100	G	500	D0-003	225	275	7.75%	21.31
4	Albuquerque	02-100	W	100	D0-003	30	70	7.75%	5.43
5	Albuquerque	02-100	O	100	D0-003	30	70	7.75%	5.43

In example D, Manufacturer M, was approved for and delivers a Type 12 NTTC to utility company E who sells electricity to M, a Type 12 NTTC to utility company G who sells natural gas to M, a Type 12 NTTC to utility company W who sells water to M, and a Type 12 NTTC to utility company O who sells steam to M. The Department approved and issued the Type 12 NTTCs to M based on M's application and statement that each utility is a manufacturing consumable. M pays the utility bills for each of these utility companies, E, G, W and O. E, G, W and O deduct 100% of the receipts from sale of the utility to M. M's manufacturing facility, where the utilities are delivered, is located in Albuquerque, New Mexico.

In M's application for Type 12 NTTCs, M declares the percentages of utility consumed in the manufacturing process on Form RPD-41378, as follows:

- Electricity - 65% is consumed in the manufacturing process
- Natural Gas - 45% is consumed in the manufacturing process
- Water - 30% is consumed in the manufacturing process
- Steam - 30% is consumed in the manufacturing process

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M files the gross receipts tax return for the report period as follows:

On Line 1, M reports its normal gross receipts and deductions associated with the receipts of the manufacturing company and calculates the applicable tax.

Lines 2 through 5, M reports the gross receipts and deductions for the purchase of the utilities.

Column A: M indicates the location of the utility meter for which the manufacturing company has been billed.

Column B: M indicates the location code based on the location of the utility meter.

Column C: M indicates the proper special rate code to report gross receipts tax based on the type of utility.

Column D: M reports the total amount billed by the utility for the purchase of the utility.

Column E: M reports the deduction code D0-003.

Column F: M computes the deductible receipts associated with the percentage of utilities consumed in the manufacturing process as shown below.

Column G: M shows the difference between Column D and Column F. This amount reflects the taxable receipts that are reported on behalf of the utility company.

Column H: The tax rate for the location of the utility meter at the manufacturing facility is shown.

Column I: M multiplies the amount in Column G by Column H to determine the amount of gross receipts reported on behalf of the utility company.

Computing the Total Deductions, Column E.

Electricity

Amount billed by the utility for the purchase of the electricity	=	\$1,000
Multiply by 65% (percentage of the electricity consumed in the manufacturing process)		<u>x 65%</u>
Total of receipts that are associated with the electricity consumed in the manufacturing process and that are deductible	=	\$650

Natural Gas

Amount billed by the utility for the purchase of the natural gas	=	\$500
Multiply by 45% (percentage of the natural gas consumed in the manufacturing process)		<u>x 45%</u>
Total of receipts that are associated with the natural gas consumed in the manufacturing process and that are deductible	=	\$225

Water

Amount billed by the utility for the purchase of the water	=	\$100
Multiply by 30% (percentage of the water consumed in the manufacturing process)		<u>x 30%</u>
Total of receipts that are associated with the water consumed in the manufacturing process and that are deductible	=	\$30

Other - Steam

Amount billed by the utility for the purchase of the steam	=	\$100
Multiply by 30% (percentage of the steam consumed in the manufacturing process)		<u>x 30%</u>
Total of receipts that are associated with the steam consumed in the manufacturing process and that are deductible	=	\$30

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Tax District Field Offices and the Department's call center provide full service and general information about tax programs the Department administers, Taxpayer Access Point (TAP) assistance, forms, payment plans for delinquent accounts, and information specific to your particular filing situation.

TAX DISTRICT FIELD OFFICES

ALBUQUERQUE

10500 Copper Pointe Avenue NE
Albuquerque, NM 87123

SANTA FE

Manuel Lujan Sr. Bldg.
1200 S. St. Francis Dr.
Santa Fe, NM 87504

FARMINGTON

3501 E. Main St., Suite N
Farmington, NM 87499

LAS CRUCES

2540 S. El Paseo Bldg. #2
Las Cruces, NM 88004

ROSWELL

400 Pennsylvania Ave., Suite 200
Roswell, NM 8820

For forms and instructions visit the Department's web site at
<http://www.tax.newmexico.gov>

**Call Center Number:
1-866-285-2996**

If faxing something to a tax district field office, please fax to:

**Call Center Fax Number:
1-505-841-6327**

If mailing information to a tax district field office, please mail to:

Taxation and Revenue Department
P.O. Box 8485
Albuquerque, NM 87198-8485

For additional contact information please visit the Department's website at
<http://www.tax.newmexico.gov/contact-us.aspx>
