

Opinion No. 60-159

September 1, 1960

BY: OPINION of HILTON A. DICKSON, JR., Attorney General

TO: Honorable Earl E. Hartley State Senator Clovis, New Mexico

QUESTION

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Are gross receipts from the sale of motors used in the operation of irrigation wells for farming exempt from the sales tax levied under § 72-16-4.5, N.M.S.A., 1953 Comp. (P.S.)?

CONCLUSION

Yes.

OPINION

{*549} **ANALYSIS**

New Mexico Annotated, 1953 Compilation, § 72-16-4.5 (P.S.), levies a tax on the gross receipts from the sale of goods, wares, materials, equipment, machinery and commodities, but it exempts the gross receipts from sales of agricultural implements used in planting, cultivating, harvesting or processing agricultural products upon the ranch or farm where grown.

We feel that the Legislature clearly intended agricultural implements to include machinery, for it took care to specifically remove the sale of tractors from the exemption, implying that, otherwise, even the sale of tractors would be exempt. No other form of machinery is removed from the exemption.

In New Mexico, where irrigation is so often a necessary part of the cultivation of agricultural products, we feel that equipment and machinery for irrigating agricultural products falls within the exemption provided for the sale of agricultural implements.

It is, therefore, the opinion of this office that if the motors in question are actually used to drive irrigation pumps and those pumps irrigate agricultural products on the ranch or farm where grown then the gross receipts from the sales of such motors are exempt from the sales tax levied by § 72-16-4.5, N.M.S.A., 1953 Comp. (P.S.).

By: Norman S. Thayer

Assistant Attorney General