

## **Opinion No. 62-56**

April 9, 1962

**BY:** OPINION OF EARL E. HARTLEY, Attorney General F. Harlan Flint, Assistant Attorney General

**TO:** Mr. Julius C. Sanchez, Assistant District Attorney, County Court House, Socorro, New Mexico

### **QUESTION**

#### QUESTION

Are customers living outside of Albuquerque required to pay the one cent municipal sales tax imposed by the City of Albuquerque on laundry and dry cleaning services where pickup and delivery is made outside the city but the cleaning services are performed within the city?

#### CONCLUSION

YES.

### **OPINION**

#### ANALYSIS

The questions herein considered requires consideration of the municipal gross receipts sales tax law compiled as Sections 14-42-24 through 14-42-32, N.M.S.A., 1953 Compilation, (P.S.). By this law municipalities are authorized by ordinance to impose a municipal sales tax of up to "one percent of the gross receipts of all retail business and services within the corporate limits of said municipality, said gross receipts to be measured by the amount of volume of business done." Section 14-42-25. The enabling legislation cited above, provides that municipal ordinances imposing such a tax must contain the same exemption provisions as the Emergency School Tax Act. Certain specific exemptions are included in Section 14-42-25, N.M.S.A., 1953 Compilation (P.S.).

There is no provision of the municipal sales tax law or the Emergency School Tax Law which could exempt the transaction herein considered. The service of laundering or dry cleaning clothes is performed within the City of Albuquerque, by a business which is subject to the municipal sales tax ordinance which has been adopted by that municipality. The fact that pick-up and delivery is performed outside the city limits is incidental to the main service performed and does not exempt the receipts of that service from the tax.

Since the laundry business is subject to the tax on services such as those which provide the basis for this opinion, that tax may properly be passed on to the purchaser. This question has been passed on by previous opinions of this office, notably Attorney General's Opinion No. 62-23 and 61-82, and does not require further consideration at this time.