Taxation and Revenue Department
Joseph Montoya Building
1100 St. Francis Drive
P. O. Box 630
Santa Fe, NM 87504-0630

REGULATIONS PERTAINING TO THE TRIP TAX ACT SECTIONS 7-15-1.1 TO 7-15-6 NMSA 1978

[3.12.100 & 101 NMAC]

Revised July 2023

This page intentionally blank

TABLE OF CONTENTS

This Page Intentionally Blank

7-15-1.1. SHORT TITLE--
Chapter 7, Article 15 NMSA 1978 may be cited as the "Trip Tax Act".
(Laws 1988, Chapter 73, Section 22)

3.12.1.8 - CITATION OF STATUTES

Unless otherwise stated, all citations of statutes within Chapter 3.12 NMAC are to the New Mexico Statutes Annotated, 1978 (NMSA 1978).
[9/14/96; 3.12.1.8 NMAC - Rn & A, 3 NMAC 12.1.8, 11/15/01]

3.12.1.9 - LEASE OPERATORS

A. Any person named on a validly-issued tax identification card is responsible for maintaining all records which demonstrate that any and all highway use taxes and fees incurred by the operation of registered vehicles on New Mexico highways have been paid.

B. When a vehicle is leased and there is no validly-issued tax identification card for it, the following persons shall be held ultimately responsible for demonstrating that all applicable fees and taxes have been paid. In the event that such payment cannot be demonstrated, these same persons shall be held financially responsible for payment of all unpaid fees and taxes due, and the vehicle may be detained until such payment has been made.

(1) If the commercial motor carrier vehicle is owned by a company which is in the business of vehicle rental or leasing and the vehicle is leased to customers without a driver, the vehicle owner (lessor) is financially responsible.

(2) If the commercial motor carrier vehicle is owned by an owner/operator and both the owner/operator (lessor) and the vehicle falls under the employment or control and custody of the lessee, the lessee is financially responsible.
[2/1/93, 4/30/97; 3.12.1.9 NMAC - Rn, 3 NMAC 12.1.9, 11/15/01]

7-15-2.1. DEFINITIONS.--

A. "combination gross vehicle weight" means the sum total of the gross vehicle weights of all units of a combination;

B. "commercial motor carrier vehicle" means any motor vehicle with a gross weight of twelve thousand pounds or more used or reserved for use in the transportation of persons, property or merchandise for hire, compensation or profit or in the furtherance of a commercial enterprise or any vehicle used or maintained primarily for the transportation of property or merchandise or for drawing other vehicles so used or maintained;

C. "department" means the department of transportation, the secretary of transportation and any employee of the department of transportation exercising authority lawfully delegated to that employee by the secretary;

D. "gross vehicle weight" means the weight of a vehicle without load, plus the weight of any load;

E. "motor vehicle" means every vehicle which is self-propelled and every vehicle which is propelled by electric power obtained from batteries or from overhead trolley wires, but not operated upon rails;

F. "registrant" means the person who has registered the vehicle pursuant to the laws of this state or another state;

G. "trip tax" means the use fee imposed under the Trip Tax Act; and

H. "vehicle" means every device in, upon or by which any person or property is or may be transported or drawn upon a highway, including any frame, chassis or body of any vehicle or motor vehicle, except devices moved by human power or used exclusively upon stationary rails or tracks.

(Laws 2021, Ch. 59, Section 1)

7-15-3.1. TRIP TAX--COMPUTATION.--

A. For the purpose of providing funds for the construction, maintenance, repair and reconstruction of this state's public highways, a use fee, to be known as the "trip tax", is imposed on each trip made in this state by the registrant, owner or operator of a foreign-based commercial motor carrier vehicle and is in lieu of registration fees and the weight distance tax that would otherwise be imposed on the trip on a registrant, owner or operator of any foreign-based commercial motor carrier vehicle that is:

(1) not registered in this state under interstate registration;

(2) not registered in this state under proportional registration;

(3) not subject to a valid reciprocity agreement;

(4) not registered as a foreign commercial motor carrier vehicle under short-term registration;

(5) not registered under an allocation of one-way rental fleet vehicles; and

(6) not exempted from registration and the payment of any registration fees and not exempted from the payment of the trip tax under Section 65-5-3 NMSA 1978.

B. Except as provided otherwise in Subsections C and D of this section, the trip tax shall be computed as follows:

(1) when the gross vehicle weight or combination gross vehicle weight exceeds twelve thousand pounds but does not exceed twenty-six thousand pounds, seven cents ($.07) a mile for mileage to be traveled on the public highways within New Mexico, measured from the point of entering the state to the point of destination or place of leaving the state;

(2) when the gross vehicle weight or combination gross vehicle weight exceeds twenty-six thousand pounds and does not exceed fifty-four thousand pounds, twelve cents ($.12) a mile for mileage to be traveled on the public highways within New Mexico, measured from the point of entering the state to the point of destination or place of leaving the state;

(3) when the gross vehicle weight or combination gross vehicle weight exceeds fifty-four thousand pounds and does not exceed seventy-two thousand pounds, fifteen cents ($.15) a mile for mileage to be traveled on the public highways within New Mexico, measured from the point of entering the state to the point of destination or place of leaving the state; and

(4) when the gross vehicle weight or combination gross vehicle weight exceeds seventy-two thousand pounds, sixteen cents ($.16) a mile for mileage to be traveled on the public highways within New Mexico, measured from the point of entering the state to the point of destination or place of leaving the state.

C. The department, by regulation, shall establish a procedure for the issuance of prepaid trip permits for:

(1) trips by a single vehicle or a fleet of vehicles for the purpose of:

(a) custom harvesting operations; or

(b) the transportation of goods or passengers between the state and Mexico; or

(2) any vehicle that is unable to declare at the time of entering the state the point of destination or place of leaving the state.

D. Prepaid trip permits established pursuant to Subsection C of this section shall be sold in increments of no less than fifty dollars ($50.00). Any portion not used prior to one year from the date of issuance shall not be refundable. Prepaid trip permits shall not be transferable between a registrant, owner or operator and another registrant, owner or operator. Charges against the prepaid trip permit shall be based on the computations specified in Subsection B of this section. (Laws 2023, Ch. 85, Section 19)

3.12.100.7 – DEFINITIONS

As used in Parts 3.12.100 and 3.12.101 NMAC:

A. “custom harvesting operation” means the temporary provision of agricultural harvesting implements, with or without operators, for consideration to a person engaged in the business of farming or ranching;

B. “foreign-based commercial motor vehicle” means a commercial motor vehicle that is registered and titled in a jurisdiction other than New Mexico;

C. “owner” means the person who holds legal title to the foreign-based commercial motor vehicle; and

D. “person” means any individual or any other legal entity.

[2/9/95, 9/14/96; 3.12.100.7 NMAC – Rn & A, 3 NMAC 12.100.7, 11/15/01]

3.12.100.8 - FEDERALLY LICENSED CUSTOM BROKERS ARE OPERATORS

A. For the purposes of Section 7-15-3.1 NMSA 1978, a federally licensed customs broker is an operator and may purchase prepaid trip permits for use by any person performing transportation services on behalf of the federally licensed customs broker. Prepaid trip tax permits will be issued in the broker's name.

B. If a prepaid trip tax permit is used by a person other than the broker, the person shall have in his possession a document that explains the relationship between the person and the broker. This document shall be available for inspection by any authorized department employee upon request of that authorized employee.

[2/9/95, 9/14/96; 3.12.100.8 NMAC – Rn & A, 3 NMAC 12.100.8, 11/15/01]

3.12.101.8 - PREPAID TRIP TAX PERMITS - APPLICATION - ISSUANCE OF PERMITS

A. Only registrants, owners or operators of foreign-based commercial motor vehicles may apply for prepaid trip tax permits.

B. Prepaid trip tax permits shall be applied for by submitting a completed “prepaid trip tax permit application” form provided by the department or a reproduction of that form. Permits may be applied for in the amount of fifty dollars ($50.00) and exact multiples thereof. No application shall be approved prior to the applicant's payment of the appropriate permit fee. The department will accept only cashier's checks or other certified funds stated in United States dollars in payment of a prepaid trip tax permit.

C. Applicants may apply for more than one prepaid trip tax permit.

D. Incomplete applications will not be approved and permits will not be issued. The applicant may complete and re-submit the application or, with respect to any payment made by the applicant with respect to the rejected application, may request either a refund of the fee submitted or application of it to another tax liability owed by the applicant to New Mexico.

E. With the receipt of the appropriate fee and a completed application form, the department will issue prepaid trip tax permits to the applicant.

F. A prepaid trip tax permit expires six months after the date of issuance.

[2/9/95, 9/14/96; 3.12.101.8 NMAC – Rn, 3 NMAC 12.101.8, 11/15/01]

3.12.101.9 - PREPAID TRIP TAX PERMITS - CONDITIONS OF USE - VOIDING OF PERMITS

A. Prepaid trip tax permits may be used in any vehicle under the control of the registrant, owner or operator, but may not be used by any person not specifically named on the permit, except as provided 3.12.100.8 NMAC.

B. The prepaid trip tax permit must be carried in the vehicle. The prepaid trip tax permit must be presented to an authorized department employee on request of the authorized employee.

C. Any violation of the conditions of the prepaid trip tax permit is cause for voiding of the permit in addition to any other penalties provided by law. If a permit is voided because of violation of the conditions of use, any fee balance remaining on the permit is also voided and shall not be refunded.

D. Once the balance of a prepaid trip tax permit is reduced to zero, the permit is void.

[2/9/95, 9/14/96; 3.12.101.9 NMAC – Rn & A, 3 NMAC 12.101.9, 11/15/01]

3.12.101.10 - PREPAID TRIP TAX PERMITS - GENERAL ADMINISTRATION

A. The prepaid trip tax permit may be used to pay the following:

(1) Trip tax computed on the miles to be traveled in New Mexico and the gross vehicle weight or combination gross vehicle weight, in accordance with Subsection B of Section 7-15-3.1 NMSA 1978.

(2) If the vehicle is special fuel powered and has a gross vehicle weight or combination gross vehicle weight of more than 26,000 pounds:

(a) the special fuel permit fee of $5.00 for each trip; and

(b) the special fuel tax of five cents (.05) for each mile traveled in New Mexico.

B. In order to effectively administer the prepaid trip tax permit program, the permit fees charged against the permit shall be rounded to the nearest whole dollar. If the charge is more than 50 cents, then the amount shall be rounded up; if the charge is 50 cents or less, the amount shall be rounded down.

C. Example: A commercial motor carrier vehicle propelled by special fuel, with a gross vehicle weight of 55,000 pounds has a prepaid trip tax permit. At the New Mexico port of entry, the driver declares an intention to travel 60 miles into New Mexico and then return to the point of origin. The total fees are calculated as follows:

Trip tax (60 miles x 2 x $.11/mile)	$ 13.20
Temporary special fuel user permit	5.00
Special fuel excise tax (60 miles x 2 x $.05/mile)	6.00

Total	$ 24.20
Total charged against prepaid trip tax permit	$ 24.00

D. Once the balance of a prepaid trip tax permit is reduced to zero, the permit expires and is no longer valid.
[2/9/95, 9/14/96; 3.12.101.10 NMAC – Rn & A, 3 NMAC 12.101.10, 11/15/01]

3.12.101.11 - PREPAID TRIP TAX PERMITS - REFUND POLICY
Except as provided in 3.12.101.8 NMAC, no refunds will be made for unused prepaid trip tax permit balances, whether the permit is lost, expires or is voided. Unused balances may not be transferred to any other prepaid trip tax permit.
[2/9/95, 9/14/96; 3.12.101.11 NMAC – Rn & A, 3 NMAC 12.101.11, 11/15/01]

7-15-3.2. EXEMPTION FROM TAX.--Exempted from imposition of the trip tax is the use of the highways of this state by commercial motor carrier vehicles while operating exclusively within ten miles of a border with Mexico in conjunction with crossing the border with Mexico.
(Laws 2006, Chapter 44, Section 1)

7-15-4. INTEREST; PENALTIES.--

A. If any trip tax is not paid when due, interest shall be paid to the state on such amount from the date on which the trip tax becomes due until it is paid. Interest shall be due to the state at the rate of fifteen percent a year, computed at the rate of one and one-quarter percent per month or any fraction thereof, except that, if the amount of interest due at the time payment is made is less than one dollar ($1.00), then no interest shall be due. Nothing in this subsection shall be construed to impose interest on interest or interest on penalty.

B. In the case of failure, due to negligence or disregard of rules and regulations, but without intent to defraud, to pay when due any amount of trip tax required to be paid, there shall be added to the amount as penalty two percent per month, or any fraction thereof, from the date on which the trip tax becomes due until the time payment is made, provided that the total penalty shall not exceed ten percent of the amount nor shall it be less than a minimum of five dollars ($5.00.)

C. In the case of failure to pay when due any amount of trip tax required to be paid, with intent to defraud the state, there shall be added to the amount fifty percent thereof or a minimum of twenty-five dollars ($25.00), whichever is greater, as penalty.
(Laws 1988, Chapter 73, Section 25)

7-15-5. DISTRIBUTION OF PROCEEDS.---

The receipts from permit fees established pursuant to Subsection C of Section 7-15-3.1 NMSA 1978, the trip tax and any associated interest and penalties shall be deposited into the "motor vehicle suspense fund", hereby created in the state treasury. As of the end of each month, the net receipts attributable to the permit fees established pursuant to Subsection C of Section 7-15-3.1 NMSA 1978, trip tax and penalties and interest associated with the trip tax shall be distributed to the state road fund.

(Laws 1988, Chapter 73, Section 26)

7-15-6. ADMINISTRATION BY DEPARTMENT; AUTHORITY OF DEPARTMENT.--

A. The department has the authority and duty to administer the Trip Tax Act and to impose, collect and enforce the trip tax.

B. The department has the authority to interpret the provisions of the Trip Tax Act and to promulgate regulations with respect to the Trip Tax Act. The extent to which regulations will have retroactive effect shall be stated and, if no such statement is made, they will be applied prospectively only.

(Laws 1988, Chapter 73, Section 27)