

**ADDENDUM TO THE COOPERATIVE AGREEMENT**  
**BETWEEN THE NEW MEXICO TAXATION AND REVENUE DEPARTMENT**  
**AND THE PUEBLO OF LAGUNA**

WHEREAS, on APRIL 8, 2002, the New Mexico Taxation and Revenue Department (the “Department”) and the Pueblo of LAGUNA (the “Pueblo”), entered into a cooperative agreement with respect to the administration of gross receipts taxes imposed by the two entities on certain specified transactions, and offsetting credits as to such taxes, and this Cooperative Agreement was amended on OCTOBER 11, 2013 (hereinafter, the “Cooperative Agreement”); and

WHEREAS, the New Mexico legislature has enacted new destination sourcing rules under Section 7-1-14, NMSA, and new nexus requirement rules under Section 7-9-3.3, NMSA; and

WHEREAS, the Department and the Pueblo have discussed these changes to the State’s tax laws and have determined that these statutory changes require that amendments be made to the Cooperative Agreement; and

WHEREAS, the Department and the Pueblo make this addendum to the Cooperative Agreement to memorialize their agreement for how gross receipts for internet sales should be reported under the Cooperative Agreement;

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Capitalized terms used herein shall have the same meaning as set out in the Cooperative Agreement.
2. All receipts of a Non-Pueblo Entity that sells, leases, or licenses goods and services over the internet (“Internet Sales”) that are reportable to a location on Pueblo Land, shall be deemed to be “Class 1 Receipts” under the Cooperative Agreement.

3. The Pueblo hereby delegates to the Department the authority to administer and collect the Pueblo Tax imposed on Internet Sales, as defined in Paragraph 2 of this Addendum. The Pueblo also agrees that the gross receipts taxes on Internet Sales that are received or collected by the Department are subject to the administrative fee collected by the Department under Section 16 of the Cooperative Agreement, subject to any waiver of fees described in Paragraph 6 below.

4. The Pueblo shall continue to be responsible for administering and collecting the Pueblo Tax on all non-Internet Sales Class 1 Receipts in accordance with Section 6.C. of the Cooperative Agreement, and shall notify and work with the non-PUEBLO OF LAGUNA Entities that are subject to the Pueblo Tax to ensure that the non-Internet Sales Class 1 Receipts continue to be reported, administered, and paid directly to the Pueblo.

5. The Department shall promulgate public guidance and, if necessary, regulations, that are consistent with this Addendum and which inform taxpayers that Internet Sales of goods or services that are delivered to locations on Pueblo Land shall be treated as Class 1 Receipts and shall be reported using the location code for Class 1 Receipts for the Pueblo. This public guidance shall also inform taxpayers that the gross receipts taxes for all non-Internet Sales Class 1 Receipts shall continue to be reported and paid directly to the Pueblo.

6. The Department additionally agrees to waive the administrative fee it collects under the Cooperative Agreement on both Class 1 Receipts and Class 2 Receipts for a period of five years, from July 1, 2021, through June 30, 2026. This waiver is intended to compensate the Pueblo for gross receipts taxes that the State collected on Internet Sales delivered on Pueblo Land during the period from July 1, 2019 through June 30, 2021, which were reported to the State's 88-888 location code rather than the Pueblo's location codes.

7. In all other respects the Cooperative Agreement shall remain in full force and effect in accordance with its terms.

Approved and effective as of \_\_\_\_\_, 2021.

By: **Stephanie Schardin Clarke**

Digitally signed by Stephanie Schardin Clarke

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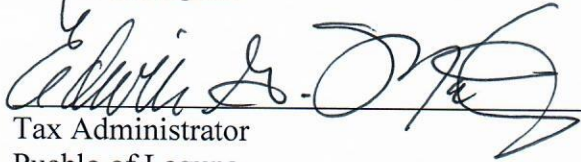
Date: \_\_\_\_\_

Secretary  
New Mexico Taxation & Revenue Department



Date: 6-30-21

Governor  
Pueblo of Laguna



Date: 6/30/21

Tax Administrator  
Pueblo of Laguna