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SENATE BILL 425

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

INTRODUCED BY

Shannon Robinson

AN ACT

RELATING TO GAMING; AMENDING THE GAMING CONTROL ACT TO REDUCE
THE GAMING TAX ON THE NET TAKE OF FRATERNAL GAMING OPERATOR
LICENSEES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 60-2E-47 NMSA 1978 (being Laws 1997,
Chapter 190, Section 49, as amended) is amended to read:

"60-2E-47. GAMING TAX- -IMPOSITION- -ADMINISTRATION. - -

A. An excise tax is imposed on the privilege of
engaging in gaming activities in the state. This tax shall be
known as the "gaming tax".

B. The gaming tax is an amount equal to ten
percent of the gross receipts of manufacturer licensees from
the sale, lease or other transfer of gaming devices in or into
the state, except receipts of a manufacturer from the sale,

underscored material = new
[bracketed material] = delete

1 lease or other transfer to a licensed distributor for
2 subsequent sale or lease may be excluded from gross receipts;
3 ten percent of the gross receipts of distributor licensees
4 from the sale, lease or other transfer of gaming devices in or
5 into the state; ten percent of the net take of a gaming
6 operator licensee that is a fraternal organization that is
7 described in Section 501(c)(8) or (10) of the federal Internal
8 Revenue Code of 1986 and that is exempt from federal income
9 taxation pursuant to Section 501(a) of that code; and twenty-
10 five percent of the net take of every other gaming operator
11 licensee. For the purposes of this section, "gross receipts"
12 means the total amount of money or the value of other
13 consideration received from selling, leasing or otherwise
14 transferring gaming devices.

15 C. The gaming tax imposed on a licensee is in lieu
16 of all state and local gross receipts taxes on that portion of
17 the licensee's gross receipts attributable to gaming
18 activities.

19 D. The gaming tax is to be paid on or before the
20 fifteenth day of the month following the month in which the
21 taxable event occurs. The gaming tax shall be administered
22 and collected by the taxation and revenue department in
23 cooperation with the board. The provisions of the Tax
24 Administration Act apply to the collection and administration
25 of the tax.

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E. In addition to the gaming tax, a gaming operator licensee that is a racetrack shall pay twenty percent of its net take to purses to be distributed in accordance with rules adopted by the state racing commission. A racetrack gaming operator licensee shall spend no less than one-fourth of one percent of the net take of its gaming machines to fund or support programs for the treatment and assistance of compulsive gamblers.

F. A nonprofit gaming operator licensee shall distribute at least sixty percent of the balance of its net take, after payment of the gaming tax and any income taxes, for charitable or educational purposes. "