

HOUSE TAXATION AND REVENUE COMMITTEE SUBSTITUTE FOR
HOUSE BILL 176

53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017

AN ACT

RELATING TO TAXATION; EXPANDING THE PERMISSIBLE USES OF REVENUE
FROM THE MUNICIPAL ENVIRONMENTAL SERVICES GROSS RECEIPTS TAX;
CHANGING THE ELIGIBILITY CRITERIA FOR IMPOSING THAT TAX.

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

SECTION 1. Section 7-19D-10 NMSA 1978 (being Laws 1990,
Chapter 99, Section 51, as amended) is amended to read:

"7-19D-10. MUNICIPAL ENVIRONMENTAL SERVICES GROSS
RECEIPTS TAX--AUTHORITY TO IMPOSE--ORDINANCE REQUIREMENTS.--

A. [~~Except as otherwise provided in this section~~]

The majority of the members of the governing body of a
municipality may enact an ordinance imposing an excise tax on
any person engaging in business in the municipality for the
privilege of engaging in business. Except as otherwise
provided in this section, the rate of the tax shall be one-

.207404.1

underscored material = new
[bracketed material] = delete

1 sixteenth of one percent of the gross receipts of the person
2 engaging in business.

3 B. The tax imposed in accordance with Subsection A
4 of this section may be referred to as the "municipal
5 environmental services gross receipts tax". The imposition of
6 a municipal environmental services gross receipts tax is not
7 subject to referendum.

8 C. The governing body of a municipality shall, at
9 the time of enacting an ordinance imposing the rate of the tax
10 authorized in Subsection A of this section, dedicate the
11 revenue for the acquisition, construction, operation and
12 maintenance of solid waste facilities, which includes the
13 collection of solid waste and disposal of demolition debris,
14 water facilities, wastewater facilities, sewer systems, [~~and~~]
15 infrastructure necessary for storm water runoff control or
16 related facilities.

17 D. The governing body of a municipality in a class
18 B county with a net taxable value used for rate-setting
19 purposes for the 2008 property tax year of greater than [~~seven~~
20 ~~hundred fifty million dollars (\$750,000,000)] six hundred
21 million dollars (\$600,000,000) and with a population, [~~in the~~
22 ~~entire county~~] according to the most recent federal decennial
23 census, of less than twenty-five thousand may enact an
24 ordinance imposing [~~an excise~~] a municipal environmental
25 services gross receipts tax on [~~any person~~] persons engaging in~~

1 business in the municipality for the privilege of engaging in
2 business; provided that:

3 (1) the rate of the tax imposed [~~shall~~] does
4 not exceed one-half of one percent of the gross receipts of the
5 person engaging in business;

6 (2) the tax is imposed in one-fourth of one
7 percent increments; and

8 (3) the population, according to the most
9 recent federal decennial census, of the municipality imposing
10 the [~~municipal environmental services gross receipts~~] tax
11 [~~according to the most recent federal decennial census~~] is:

12 (a) more than [~~seven~~] six thousand five
13 hundred but less than seven thousand eight hundred; or

14 (b) more than one thousand five hundred
15 but less than two thousand."

underscored material = new
[bracketed material] = delete

17
18
19
20
21
22
23
24
25