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

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

C. The governing body of a municipality shall, at  
the time of enacting an ordinance imposing the rate of the

1 tax authorized in Subsection A of this section, dedicate the  
2 revenue for the acquisition, construction, operation and  
3 maintenance of solid waste facilities, which includes the  
4 collection of solid waste and disposal of demolition debris,  
5 water facilities, wastewater facilities, sewer systems,  
6 infrastructure necessary for storm water runoff control or  
7 related facilities.

8 D. The governing body of a municipality in a class  
9 B county with a net taxable value used for rate-setting  
10 purposes for the 2008 property tax year of greater than six  
11 hundred million dollars (\$600,000,000) and with a population,  
12 according to the most recent federal decennial census, of  
13 less than twenty-five thousand may enact an ordinance  
14 imposing a municipal environmental services gross receipts  
15 tax on persons engaging in business in the municipality for  
16 the privilege of engaging in business; provided that:

17 (1) the rate of the tax imposed does not  
18 exceed one-half of one percent of the gross receipts of the  
19 person engaging in business;

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

22 (3) the population, according to the most  
23 recent federal decennial census, of the municipality imposing  
24 the tax is:

25 (a) more than six thousand five hundred

