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SENATE BILL 505

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019

INTRODUCED BY

John Arthur Smith and Stuart Ingle

AN ACT

RELATING TO TAXATION; INCREASING THE MOTOR VEHICLE EXCISE TAX;
DISTRIBUTING THE REVENUE FROM THE TAX TO THE STATE ROAD FUND, A
NEW STATE ROAD MAINTENANCE FUND AND THE GENERAL FUND.

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

SECTION 1. A new section of the Tax Administration Act is
enacted to read:

"[NEW MATERIAL] STATE ROAD MAINTENANCE FUND.--

A. The "state road maintenance fund" is created as
a nonreverting fund in the state treasury. No income earned on
the fund shall be transferred to another fund.

B. The department of transportation shall
administer the fund, and money in the fund is subject to
appropriation by the legislature to the department of
transportation only for expenditure for reconstruction,

underscoring material = new
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underscored material = new
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1 resurfacing or other improvement or maintenance of existing
2 public roads, streets, alleys or bridges, including right-of-
3 way and materials acquisition.

4 C. Money in the fund shall not be pledged for the
5 payment of bonds or debentures or expended to pay the principal
6 or interest of outstanding bonds or debentures.

7 D. Money in the fund shall be disbursed on warrants
8 signed by the secretary of finance and administration pursuant
9 to vouchers signed by the secretary of transportation or the
10 secretary's authorized representative."

11 SECTION 2. Section 7-14-4 NMSA 1978 (being Laws 1988,
12 Chapter 73, Section 14) is amended to read:

13 "7-14-4. DETERMINATION OF AMOUNT OF MOTOR VEHICLE EXCISE
14 TAX.--The rate of the motor vehicle excise tax is [~~three~~] four
15 percent and is applied to the price paid for the vehicle. If
16 the price paid does not represent the value of the vehicle in
17 the condition that existed at the time it was acquired, the tax
18 rate shall be applied to the reasonable value of the vehicle in
19 such condition at such time. However, allowances granted for
20 vehicle trade-ins may be deducted from the price paid or the
21 reasonable value of the vehicle purchased."

22 SECTION 3. Section 7-14-10 NMSA 1978 (being Laws 1988,
23 Chapter 73, Section 20, as amended) is amended to read:

24 "7-14-10. DISTRIBUTION OF PROCEEDS.--The receipts from
25 the tax and any associated interest and penalties shall be

.213138.3

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1 deposited in the "motor vehicle suspense fund", hereby created
2 in the state treasury. As of the end of each month, the net
3 receipts attributable to the tax and associated penalties and
4 interest shall be distributed as follows:

5 A. ~~[four and fifteen hundredths]~~ three and twelve-
6 hundredths percent to the state road fund; ~~[and]~~

7 B. forty-eight and forty-four hundredths percent to
8 the state road maintenance fund; and

9 ~~[B-]~~ C. the remainder to the general fund."

10 SECTION 4. EFFECTIVE DATE.--The effective date of the
11 provisions of this act is July 1, 2019.