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AN ACT

RELATING TO GAMING; CHANGING THE OPERATING HOURS FOR A
NONPROFIT ORGANIZATION GAMING OPERATOR LICENSEE; CHANGING THE
NET TAKE PERCENTAGE FOR A NONPROFIT ORGANIZATION GAMING
OPERATOR LICENSEE.

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

SECTION 1. Section 60-2E-28 NMSA 1978 (being Laws 1997,
Chapter 190, Section 30, as amended) is amended to read:

"60-2E-28. GAMING OPERATOR LICENSEES--SPECIAL
CONDITIONS FOR NONPROFIT ORGANIZATIONS--NUMBER OF GAMING
MACHINES--DAYS AND HOURS OF OPERATIONS.--

A. A nonprofit organization may be issued a gaming
operator's license to operate licensed gaming machines on its
premises to be played only by active and auxiliary members.

B. No more than fifteen gaming machines may be
offered for play on the premises of a nonprofit organization
gaming operator licensee.

C. A gaming machine on the premises of a nonprofit
organization gaming operator licensee may not award a prize
that exceeds four thousand dollars (\$4,000).

D. Gaming machines may be played on the premises
of a nonprofit organization gaming operator licensee for any
consecutive twelve hours per day that the nonprofit chooses."

SECTION 2. Section 60-2E-47 NMSA 1978 (being Laws 1997,

1 Chapter 190, Section 49, as amended) is amended to read:

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

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

6 B. The gaming tax is an amount equal to ten
7 percent of the gross receipts of manufacturer licensees from
8 the sale, lease or other transfer of gaming devices in or
9 into the state, except receipts of a manufacturer from the
10 sale, lease or other transfer to a licensed distributor for
11 subsequent sale or lease may be excluded from gross receipts;
12 ten percent of the gross receipts of distributor licensees
13 from the sale, lease or other transfer of gaming devices in
14 or into the state; ten percent of the net take of a gaming
15 operator licensee that is a nonprofit organization; and
16 twenty-six percent of the net take of every other gaming
17 operator licensee. For the purposes of this section, "gross
18 receipts" means the total amount of money or the value of
19 other consideration received from selling, leasing or
20 otherwise transferring gaming devices.

21 C. The gaming tax imposed on a licensee is in lieu
22 of all state and local gross receipts taxes on that portion
23 of the licensee's gross receipts attributable to gaming
24 activities.

25 D. The gaming tax is to be paid on or before the

1 fifteenth day of the month following the month in which the
2 taxable event occurs. The gaming tax shall be administered
3 and collected by the taxation and revenue department in
4 cooperation with the board. The provisions of the Tax
5 Administration Act apply to the collection and administration
6 of the tax.

7 E. In addition to the gaming tax, a gaming
8 operator licensee that is a racetrack shall pay twenty
9 percent of its net take to purses to be distributed in
10 accordance with rules adopted by the state racing commission.
11 An amount not to exceed twenty percent of the interest earned
12 on the balance of any fund consisting of money for purses
13 distributed by racetrack gaming operator licensees pursuant
14 to this subsection may be expended for the costs of
15 administering the distributions. A racetrack gaming operator
16 licensee shall spend no less than one-fourth percent of the
17 net take of its gaming machines to fund or support programs
18 for the treatment and assistance of compulsive gamblers.

19 F. A nonprofit gaming operator licensee shall
20 distribute at least twenty percent of the balance of its net
21 take, after payment of the gaming tax, any income taxes and
22 allowable gaming expenses, for charitable or educational
23 purposes." _____