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**HOUSE BILL 456**

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

**INTRODUCED BY**

**W. Ken Martinez**

**AN ACT**

**RELATING TO GAMING REVENUES; PROVIDING THAT A PERCENTAGE OF INTEREST EARNINGS ON BALANCES OF CERTAIN RACETRACK GAMING PURSE FUNDS MAY BE USED FOR ADMINISTRATIVE EXPENSES; DECLARING AN EMERGENCY.**

**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**

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1 the state, except receipts of a manufacturer from the sale,  
2 lease or other transfer to a licensed distributor for  
3 subsequent sale or lease may be excluded from gross receipts;  
4 ten percent of the gross receipts of distributor licensees  
5 from the sale, lease or other transfer of gaming devices in or  
6 into the state; and twenty-five percent of the net take of  
7 every gaming operator licensee. For the purposes of this  
8 section, "gross receipts" means the total amount of money or  
9 the value of other consideration received from selling,  
10 leasing or otherwise transferring gaming devices.

11 C. The gaming tax imposed on a licensee is in lieu  
12 of all state and local gross receipts taxes on that portion of  
13 the licensee's gross receipts attributable to gaming  
14 activities.

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

22 E. In addition to the gaming tax, a gaming  
23 operator licensee that is a racetrack shall pay twenty percent  
24 of its net take to purses to be distributed in accordance with  
25 rules adopted by the state racing commission. An amount not

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1 to exceed eight percent of the interest earned on the balance  
2 of any fund consisting of money for purses distributed by  
3 racetrack gaming operator licensees pursuant to this  
4 subsection may be expended for the costs of administering the  
5 distributions. A racetrack gaming operator licensee shall  
6 spend no less than one-fourth of one percent of the net take  
7 of its gaming machines to fund or support programs for the  
8 treatment and assistance of compulsive gamblers.

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

13 Section 2. EMERGENCY.--It is necessary for the public  
14 peace, health and safety that this act take effect  
15 immediately.