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HOUSE BILL 620

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

INTRODUCED BY

Don Tripp

AN ACT

**RELATING TO TAXATION; AUTHORIZING AN ADDITIONAL CLASS OF
COUNTY TO IMPOSE A LOCAL LIQUOR EXCISE TAX.**

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

**Section 1. Section 7-24-9 NMSA 1978 (being Laws 1989,
Chapter 326, Section 2) is amended to read:**

**"7-24-9. DEFINITIONS.--As used in the Local Liquor
Excise Tax Act:**

**A. "alcoholic beverages" means distilled or
rectified spirits, potable alcohol, brandy, whiskey, rum, gin
and aromatic bitters or any similar alcoholic beverage,
including blended or fermented beverages, dilutions or
mixtures of one or more of the foregoing containing more than
one-half of one percent alcohol, but excluding medicinal
bitters;**

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1 B. "county" means:

2 (1) a class B county having a population of
3 more than fifty-six thousand but less than seventy-five
4 thousand, according to the most recent federal decennial
5 census or any subsequent decennial census, and having a net
6 taxable value for rate-setting purposes for the 1988 or any
7 subsequent property tax year of more than five hundred million
8 dollars (\$500,000,000) but less than seven hundred million
9 dollars (\$700,000,000); or

10 (2) a class B county having a population of
11 more than thirteen thousand but less than fifteen thousand
12 according to the 1990 federal decennial census and having a
13 net taxable value for property taxation purposes for the 1999
14 property tax year of more than one hundred million dollars
15 (\$100,000,000) but less than one hundred fifty million dollars
16 (\$150,000,000);

17 C. "department" means the taxation and revenue
18 department, the secretary of taxation and revenue or any
19 employee of the department exercising authority lawfully
20 delegated to that employee by the secretary;

21 D. "governing body" means the board of county
22 commissioners of a county;

23 E. "person" means any individual, estate, trust,
24 receiver, cooperative association, club, corporation, company,
25 firm, partnership, joint venture, syndicate or other

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1 association; "person" also means, to the extent permitted by
2 law, any federal, state or other governmental unit or
3 subdivision or agency, department or instrumentality thereof;

4 F. "price" means the total amount of money or the
5 reasonable value of other consideration or both paid for
6 alcoholic beverages, inclusive of the amount of any tax paid
7 pursuant to the Liquor Excise Tax Act; and

8 G. "retailer" means any person having a place of
9 business within the county who sells, offers for sale or
10 possesses for the purpose of selling alcoholic beverages
11 within the county. "

12 Section 2. Section 7-24-10 NMSA 1978 (being Laws 1989,
13 Chapter 326, Section 3) is amended to read:

14 "7-24-10. AUTHORIZATION TO IMPOSE LOCAL LIQUOR EXCISE
15 TAX--RATE--USE OF PROCEEDS--ELECTION REQUIRED.--

16 A. The majority of the members elected to the
17 governing body may enact an ordinance imposing on any retailer
18 an excise tax on the price paid by the retailer for alcoholic
19 beverages purchased by the retailer upon which the tax imposed
20 by this section has not been paid. The tax may be imposed at
21 a rate not to exceed five percent [~~provided that any~~] in a
22 county described in Paragraph (1) of Subsection B of Section
23 7-24-9 NMSA 1978 and at a rate not to exceed ten percent in a
24 county described in Paragraph (2) of Subsection B of Section
25 7-24-9 NMSA 1978. A county may set a lower rate, but the rate

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1 shall be an even multiple of one percent. The tax imposed
2 under this section may be referred to as the "local liquor
3 excise tax". Any tax imposed under this section shall be for
4 a period of not more than three years from the effective date
5 of the ordinance imposing the tax.

6 B. The governing body at the time of enacting an
7 ordinance imposing the tax authorized in Subsection A of this
8 section shall dedicate the revenue to fund educational
9 programs and prevention and treatment of alcoholism and drug
10 abuse within the county and for no other purpose. After
11 approval of the imposition of a local liquor excise tax by the
12 voters but before the effective date of the ordinance, the
13 governing body shall hold a public meeting for the purpose of
14 inviting comment on and suggestions for the most appropriate
15 programs on which to expend the revenue produced by the tax.
16 The governing body shall invite representatives from the
17 appropriate Indian tribes, nations and pueblos to the meeting.
18 If the governing body awards any contract using funds derived
19 from the local liquor excise tax, it shall do so only through
20 a selection process requiring submission of sealed bids or
21 proposals after public notice of the opportunity to submit the
22 sealed bids or proposals.

23 C. The governing body enacting an ordinance
24 imposing the local liquor excise tax shall submit the question
25 of imposing the tax to the qualified voters of the county at a

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1 regular or special election.

2 D. Only those voters who are registered within the
3 county shall be permitted to vote. The election shall be
4 called, conducted and canvassed in substantially the same
5 manner as provided by law for general elections.

6 E. If at an election called pursuant to this
7 section a majority of the voters voting on the question [~~vote~~]
8 votes in the affirmative on the question, then the ordinance
9 imposing the local liquor excise tax shall be approved. If at
10 such an election a majority of the voters voting on the
11 question [~~fail~~] fails to approve the question, then the
12 ordinance shall be disapproved and the question required to be
13 submitted by Subsection B of this section shall not be
14 submitted to the voters for a period of at least one year from
15 the date of the election.

16 F. Any ordinance enacted under the provisions of
17 this section [~~which~~] that imposes a local liquor excise tax or
18 changes the rate of tax imposed shall include an effective
19 date which is the first day of any month which begins no
20 earlier than ninety days after the date of the election. A
21 certified copy of any ordinance imposing a local liquor excise
22 tax shall be mailed or personally delivered to the department
23 within five days after the ordinance is certified to have been
24 approved by the voters.

25 G. Any ordinance repealing the imposition of a tax

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1 under the provisions of this section shall contain an
2 effective date which is the first day of any month beginning
3 no earlier than sixty days from the date the ordinance
4 repealing the tax is adopted by the governing body. A
5 certified copy of any ordinance repealing a local liquor
6 excise tax shall be mailed or personally delivered to the
7 department within five days of the date the ordinance is
8 adopted. "

9 Section 3. EFFECTIVE DATE. -- The effective date of the
10 provisions of this act is July 1, 2001.

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