

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SENATE BILL 73

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

Cynthia L. Nava

AN ACT

RELATING TO THE GAMING TAX; DISTRIBUTING A PERCENTAGE OF
GAMING TAX REVENUES GENERATED BY RACETRACK GAMING OPERATOR
LICENSEES TO THE LOCAL GOVERNMENTS IN WHICH THE RACETRACKS ARE
LOCATED TO PROVIDE FUNDS FOR LOCAL INFRASTRUCTURE AND
SERVICES; MAKING AN APPROPRIATION.

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 DISTRIBUTION--GAMING TAX.--A distribution
pursuant to Section 7-1-6.1 NMSA 1978 shall be made to each
municipality in which a racetrack gaming operator licensee is
located and to each county in which a racetrack gaming
operator licensee is located outside the exterior boundaries
of any municipality in an amount equal to six and one-half

. 140035. 1

underscored material = new
[bracketed material] = delete

underscored material = new
[bracketed material] = delete

1 percent of the net receipts attributable to the gaming tax
2 paid by the racetrack gaming operator licensee. "

3 Section 2. Section 60-2E-47 NMSA 1978 (being Laws 1997,
4 Chapter 190, Section 49, as amended by Laws 2001, Chapter 256,
5 Section 1 and by Laws 2001, Chapter 262, Section 3) is amended
6 to read:

7 "60-2E-47. GAMING TAX--IMPOSITION--ADMINISTRATION. --

8 A. An excise tax is imposed on the privilege of
9 engaging in gaming activities in the state. This tax shall be
10 known as the "gaming tax".

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

. 140035. 1

underscored material = new
[bracketed material] = delete

1 C. The gaming tax imposed on a licensee is in lieu
2 of all state and local gross receipts taxes on that portion of
3 the licensee's gross receipts attributable to gaming
4 activities.

5 D. The gaming tax is to be paid on or before the
6 fifteenth day of the month following the month in which the
7 taxable event occurs. The gaming tax shall be administered
8 and collected by the taxation and revenue department in
9 cooperation with the board. The provisions of the Tax
10 Administration Act apply to the collection and administration
11 of the tax.

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

24 F. A nonprofit gaming operator licensee shall
25 distribute at least sixty percent of the balance of its net

1 take, after payment of the gaming tax and any income taxes,
2 for charitable or educational purposes.

3 G. A municipality or county receiving a
4 distribution pursuant to Section 1 of this act of a percentage
5 of gaming tax revenues generated by a racetrack gaming
6 operator licensee shall use those revenues for acquisition,
7 construction or improvement of any local government
8 infrastructure or for providing police and fire protection
9 services. "

10 Section 3. EFFECTIVE DATE. --The effective date of the
11 provisions of this act is August 1, 2002.

12 - 4 -
13
14
15
16
17
18
19
20
21
22
23
24
25