

AN ACT

RELATING TO TAXATION; AUTHORIZING IMPOSITION OF ADDITIONAL
HEALTH CARE GROSS RECEIPTS TAX IN CERTAIN COUNTIES.

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

Section 1. Section 7-20E-18 NMSA 1978 (being Laws 1991,
Chapter 212, Section 7, as amended) is amended to read:

"7-20E-18. COUNTY HEALTH CARE GROSS RECEIPTS TAX--
AUTHORITY TO IMPOSE RATE.--

A. The majority of the members of the governing
body of any county may enact an ordinance imposing an excise
tax at a rate of one-sixteenth percent of the gross receipts
of any person engaging in business in the county for the
privilege of engaging in business in the county. Any
ordinance imposing an excise tax pursuant to this section
shall not be subject to a referendum. The governing body of a
county shall, at the time of enacting an ordinance imposing
the tax, dedicate the revenue to the county-supported medicaid
fund. This tax is to be referred to as the "county health
care gross receipts tax".

B. In addition to the imposition of the county
health care gross receipts tax authorized by Subsection A of
this section, the majority of the members of the governing
body of a county having a population of more than five hundred
thousand persons according to the most recent federal

decennial census may enact an ordinance imposing an additional one-sixteenth percent increment of county health care gross receipts tax; provided that the imposition of the additional increment shall be for a period that ends no later than June 30, 2009. The governing body of the county shall, at the time of enacting an ordinance imposing the additional increment of county health care gross receipts tax, dedicate the revenue to the support of indigent patients.

C. Any ordinance enacted pursuant to the provisions of Subsection A or B of this section shall include an effective date of either July 1 or January 1 in accordance with the provisions of the County Local Option Gross Receipts Taxes Act."

Section 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2006.