

AN ACT

RELATING TO TAXATION; PROVIDING FOR THE IMPOSITION OF A COUNTY REGIONAL TRANSIT GROSS RECEIPTS TAX; REPEALING THE MUNICIPAL REGIONAL TRANSIT GROSS RECEIPTS TAX.

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

Section 1. Section 7-20E-23 NMSA 1978 (being Laws 2004, Chapter 17, Section 2) is amended to read:

"7-20E-23. COUNTY REGIONAL TRANSIT GROSS RECEIPTS TAX-- AUTHORITY TO IMPOSE--RATE--ELECTION REQUIRED.--

A. Upon a request by resolution of the board of directors of a regional transit district, a majority of the members of the governing body of each county that is within the district shall impose by identical ordinances an excise tax at the rate specified in the resolution, but not to exceed one-half percent of the gross receipts of any person engaging in business in the district for the privilege of engaging in business. A tax imposed pursuant to this section may be imposed by one or more ordinances, each imposing any number of tax rate increments, but an increment shall not be less than one-sixteenth percent of the gross receipts of any person engaging in business in the district and the aggregate of all rates shall not exceed one-half percent of the gross receipts of any person engaging in business in the district. The tax may be referred to as the "county regional transit gross

receipts tax".

B. Each governing body, at the time of enacting an ordinance imposing the tax authorized in Subsection A of this section, shall dedicate the revenue for the purposes authorized by the Regional Transit District Act.

C. An ordinance imposing a county regional transit gross receipts tax shall not go into effect until after a joint election is held by all counties within the district and a majority of the voters of the district voting in the election votes in favor of imposing the tax. Each governing body shall adopt an ordinance calling for a joint election within seventy-five days of the date the resolution is adopted on the question of imposing the tax. The question shall be submitted to the voters of the district as a separate question at a general election or at a joint special election called for that purpose by each governing body. A joint special election shall be called, conducted and canvassed substantially in the same manner as provided by law for general elections. If a majority of the voters in the district voting on the question approves the ordinance imposing the county regional transit gross receipts tax, the ordinance shall become effective in accordance with the provisions of the County Local Option Gross Receipts Taxes Act. If the question of imposing the county regional transit gross receipts tax fails, the governing bodies shall not again

propose the imposition of any increment of the tax for a period of one year from the date of the election.

D. The governing body of a county imposing a county regional transit gross receipts tax shall transfer all proceeds from the tax to the regional transit district for the purposes specified in the ordinance and in accordance with the provisions of the Regional Transit District Act.

E. As used in this section, "county within the district" means a county within which lies any portion of a regional transit district."

Section 2. REPEAL.--Section 7-19D-13 NMSA 1978 (being Laws 2004, Chapter 17, Section 1) is repealed.

Section 3. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2007.