

FORTY-NINTH LEGISLATURE
FIRST SESSION, 2009

SB 201/a

February 24, 2009

Madam President:

Your **FINANCE COMMITTEE**, to whom has been referred

SENATE BILL 201, as amended

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

1. Strike Senate Corporations and Transportation Committee Amendments 2 through 5, 7 and 8.

2. On page 2, between lines 5 and 6, insert the following:

"B. "annual gross receipts tax increment" means the result of the following computation for the last month of a gross receipts tax distribution year:

(1) subtract one from the gross receipts tax increment factor for the month;

(2) divide the result from Paragraph (1) of this subsection by the gross receipts tax increment factor for the month, if base adjusted taxable gross receipts are greater than zero; or one, if base adjusted taxable gross receipts are zero; and

(3) multiply the result from Paragraph (2) of this subsection by the cumulative amount of gross receipts tax reported on returns in the gross receipts tax increment distribution year;"

3. Reletter the succeeding subsections accordingly.

4. On page 6, strike lines 12 through 25, and on page 7, strike lines 1 through 3 and insert in lieu thereof:

"(1) the result of the following computation:

(a) subtract one from the gross receipts tax increment factor;

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(b) divide the result from Subparagraph (a) of this paragraph by the gross receipts tax increment factor, if base adjusted taxable gross receipts are greater than zero; or one, if base adjusted taxable gross receipts are zero;

(c) multiply the result from Subparagraph (b) of this paragraph by the cumulative amount of gross receipts tax reported on returns in the current gross receipts tax increment distribution year;

(d) subtract from the result of Subparagraph (c) of this paragraph the cumulative amount of monthly gross receipts tax increment distributed to the district for prior months in the current gross receipts tax increment distribution year; and

(e) subtract from the result of Subparagraph (d) of this paragraph any amount by which the gross receipts tax increment at the end of the prior gross receipts tax increment distribution year exceeds the sum of the annual gross receipts tax increments for all preceding gross receipts tax distribution years; or".

5. On page 8, line 9, after "lies", insert "or expenditures by the taxation and revenue department to input required data and make any necessary system modifications to calculate, collect, distribute, report and analyze gross receipts tax increments for tax increment development districts".

6. On page 21, between lines 14 and 15, insert the following new section:

"Section 5. A new section of the Tax Increment for Development Act is enacted to read:

"[NEW MATERIAL] CREATION OF TAX INCREMENT FUND--AGREEMENTS-- APPROPRIATION.--

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A. The "tax increment fund" is created as a nonreverting fund in the state treasury. Money in the fund shall be appropriated to the taxation and revenue department to pay the costs of systems modifications and administrative expenses related to tax increment development districts. Disbursements from the fund shall be by warrant of the secretary of finance and administration upon vouchers signed by the secretary of taxation and revenue or the secretary's authorized representative. Money in the fund shall not revert to the general fund at the end of any fiscal year.

B. Each tax increment development district, prior to adoption of a resolution by the state board of finance as provided by Subsection F of Section 5-15-15 NMSA 1978, or if a resolution has already been adopted, prior to July 1, 2009, shall enter into an agreement with the taxation and revenue department in which the district shall agree to pay the department an amount for the department to input required data and make any necessary system modifications to calculate, collect, distribute, report and analyze gross receipts tax increments for tax increment development districts. The department may adjust distributions of gross receipts tax pursuant to Section 7-1-6.54 NMSA 1978 to districts and accept other money from the districts on the terms provided in the agreement. Amounts paid to the department pursuant to an agreement entered under this section shall be deposited in the tax increment fund."".

7. Renumber the succeeding section accordingly.

8. On page 21, line 16, after "of", insert "Sections 1, 4 and 5 of".

9. On page 21, line 16, after the period, insert "The effective date of the provisions of Sections 2 and 3 of this act is July 1, 2010.".

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Respectfully submitted,

John Arthur Smith, Chairman

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____

The roll call vote was 11 For 0 Against

Yes: 11

No: 0

Excused: None

Absent: None

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