

SENATE FINANCE COMMITTEE SUBSTITUTE FOR
SENATE BILL 324

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

AN ACT

RELATING TO TAXATION; PROVIDING AUTHORITY TO IMPOSE THE
MUNICIPAL ENVIRONMENTAL SERVICES GROSS RECEIPTS TAX ON CERTAIN
COMMUNITIES AT A MAXIMUM RATE OF ONE-HALF OF ONE PERCENT.

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

Section 1. Section 7-19D-10 NMSA 1978 (being Laws 1990,
Chapter 99, Section 51, as amended) is amended to read:

"7-19D-10. MUNICIPAL ENVIRONMENTAL SERVICES GROSS
RECEIPTS TAX--AUTHORITY TO IMPOSE--ORDINANCE REQUIREMENTS.--

A. Except as otherwise provided in this section,
the majority of the members of the governing body of a
municipality may enact an ordinance imposing an excise tax on
any person engaging in business in the municipality for the
privilege of engaging in business. The rate of the tax shall
be one-sixteenth of one percent of the gross receipts of the

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1 person engaging in business. [~~The imposition of this tax is not~~
2 ~~subject to referendum of any kind unless required by a~~
3 ~~municipal charter.~~]

4 B. The tax imposed in accordance with Subsection A
5 of this section may be referred to as the "municipal
6 environmental services gross receipts tax". The imposition of
7 a municipal environmental services gross receipts tax is not
8 subject to referendum of any kind unless required by a
9 municipal charter.

10 C. The governing body of a municipality shall, at
11 the time of enacting an ordinance imposing the rate of the tax
12 authorized in Subsection A of this section, dedicate the
13 revenue for acquisition, construction, operation and
14 maintenance of solid waste facilities, water facilities,
15 wastewater facilities, sewer systems and related facilities.

16 D. The governing body of a municipality in a class
17 B county with a net taxable value used for rate-setting
18 purposes for the 2008 property tax year of greater than seven
19 hundred fifty million dollars (\$750,000,000) and a population
20 in the entire county according to the most recent federal
21 decennial census of less than twenty-five thousand may enact an
22 ordinance imposing an excise tax on any person engaging in
23 business in the municipality for the privilege of engaging in
24 business; provided that:

25 (1) the rate of the tax imposed shall not

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1 exceed one-half of one percent of the gross receipts of the
2 person engaging in business;

3 (2) the tax is imposed in one-fourth of one
4 percent increments; and

5 (3) the population of the municipality
6 imposing the municipal environmental services gross receipts
7 tax according to the most recent federal decennial census is:

8 (a) more than seven thousand five
9 hundred but less than seven thousand eight hundred; or

10 (b) more than one thousand five hundred
11 but less than two thousand."

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