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SENATE BILL 228

51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014

INTRODUCED BY

John Arthur Smith

AN ACT

RELATING TO TAXATION; INCREMENTALLY INCREASING AND INDEXING THE
GASOLINE TAX AND THE SPECIAL FUEL EXCISE TAX; PROVIDING A
DISTRIBUTION TO THE LOCAL GOVERNMENTS ROAD FUND FROM THE
GASOLINE TAX AND THE SPECIAL FUEL EXCISE TAX BEGINNING JULY 1,
2019.

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

SECTION 1. Section 7-1-6.39 NMSA 1978 (being Laws 1995,
Chapter 6, Section 9, as amended) is amended to read:

"7-1-6.39. DISTRIBUTION OF SPECIAL FUEL EXCISE TAX TO
LOCAL GOVERNMENTS ROAD FUND.--A distribution pursuant to
Section 7-1-6.1 NMSA 1978 shall be made to the local
governments road fund in an amount equal to:

A. beginning on July 1, 2019, thirteen and four-
tenths percent of the net receipts attributable to the taxes,

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1 exclusive of penalties and interest, from the gasoline tax
2 imposed by the Gasoline Tax Act;

3 B. prior to July 1, 2019, nine and fifty-two
4 hundredths percent of the net receipts attributable to the
5 taxes, exclusive of penalties and interest, from the special
6 fuel excise tax imposed by the Special Fuels Supplier Tax Act;
7 and

8 C. beginning on July 1, 2019, nineteen and twenty-
9 three hundredths percent of the net receipts attributable to
10 the taxes, exclusive of penalties and interest, from the
11 special fuel excise tax imposed by the Special Fuels Supplier
12 Tax Act."

13 SECTION 2. Section 7-13-3 NMSA 1978 (being Laws 1971,
14 Chapter 207, Section 3, as amended) is amended to read:

15 "7-13-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS
16 "GASOLINE TAX".--

17 A. For the privilege of receiving gasoline in this
18 state, there is imposed an excise tax at a rate provided in
19 Subsection B of this section on each gallon of gasoline
20 received in New Mexico.

21 B. The tax imposed by Subsection A of this section
22 shall be:

23 (1) on or before June 30, 2019, seventeen
24 cents (\$.17) per gallon received in New Mexico;

25 (2) between July 1, 2019 and June 30, 2020,

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1 twenty-two cents (\$.22) per gallon received in New Mexico;
2 (3) between July 1, 2020 and June 30, 2021,
3 twenty-four cents (\$.24) per gallon received in New Mexico;
4 (4) between July 1, 2021 and June 30, 2022,
5 twenty-six cents (\$.26) per gallon received in New Mexico;
6 (5) between July 1, 2022 and June 30, 2023,
7 twenty-eight cents (\$.28) per gallon received in New Mexico;
8 (6) between July 1, 2023 and June 30, 2024,
9 thirty cents (\$.30) per gallon received in New Mexico; and
10 (7) on and after July 1, 2024, the rate
11 determined pursuant to Subsection C of this section.

12 C. No later than April 30, 2024 and April 30 of
13 each subsequent year, the department shall calculate the rate
14 of gasoline tax to be imposed as of July 1 of that year. The
15 rate of the gasoline tax per gallon shall be equal to the
16 product, rounded down to the nearest whole cent, of thirty
17 cents (\$.30) multiplied by a fraction with a numerator equal to
18 the chained price index for the previous calendar year and a
19 denominator equal to the chained price index for calendar year
20 2022. As used in this subsection, "chained price index" means
21 the chained price index for nonresidential construction in the
22 consumer price index.

23 ~~[G.]~~ D. The tax imposed by this section may be
24 called the "gasoline tax".

25 **SECTION 3.** Section 7-16A-3 NMSA 1978 (being Laws 1992,
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1 Chapter 51, Section 3, as amended) is amended to read:

2 "7-16A-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS
3 SPECIAL FUEL EXCISE TAX.--

4 A. For the privilege of receiving or using special
5 fuel in this state, there is imposed an excise tax at a rate
6 provided in Subsection B of this section on each gallon of
7 special fuel received in New Mexico.

8 B. The tax imposed by Subsection A of this section
9 shall be:

10 (1) on or before June 30, 2019, twenty-one
11 cents (\$.21) per gallon of special fuel received or used in New
12 Mexico;

13 (2) between July 1, 2019 and June 30, 2020,
14 twenty-six cents (\$.26) per gallon received in New Mexico;

15 (3) between July 1, 2020 and June 30, 2021,
16 twenty-eight cents (\$.28) per gallon received in New Mexico;

17 (4) between July 1, 2021 and June 30, 2022,
18 thirty cents (\$.30) per gallon received in New Mexico;

19 (5) between July 1, 2022 and June 30, 2023,
20 thirty-two cents (\$.32) per gallon received in New Mexico;

21 (6) between July 1, 2023 and June 30, 2024,
22 thirty-four cents (\$.34) per gallon received in New Mexico; and

23 (7) on and after July 1, 2024, the rate
24 determined pursuant to Subsection C of this section.

25 C. No later than April 30, 2024 and April 30 of

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1 each subsequent year, the department shall calculate the rate
2 of special fuel excise tax to be imposed as of July 1 of that
3 year. The rate of the special fuel excise tax per gallon shall
4 be equal to the product, rounded down to the nearest whole
5 cent, of thirty-four cents (\$.34) multiplied by a fraction with
6 a numerator equal to the chained price index for the previous
7 calendar year and a denominator equal to the chained price
8 index for calendar year 2022. As used in this subsection,
9 "chained price index" means the chained price index for
10 nonresidential construction in the consumer price index.

11 ~~[G.]~~ D. The tax imposed by this section may be
12 called the "special fuel excise tax".

13 **SECTION 4. APPLICABILITY.**--The distributions pursuant to
14 Section 1 of this act apply to receipts from the gasoline tax
15 and the special fuel excise tax that are attributable to sales
16 that occur on or after July 1, 2014.

17 **SECTION 5. EFFECTIVE DATE.**--The effective date of the
18 provisions of this act is July 1, 2014.