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SENATE BILL 105

**52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015**

INTRODUCED BY

Richard C. Martinez

AN ACT

RELATING TO TAXATION; ENACTING AUTHORITY TO IMPOSE A SPECIAL COUNTY EDUCATION GROSS RECEIPTS TAX DEDICATED TO PAYMENT FOR BONDS FOR PUBLIC SCHOOL CAPITAL OUTLAY IMPROVEMENTS FOR QUALIFYING COUNTIES.

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

SECTION 1. A new section of the County Local Option Gross Receipts Taxes Act is enacted to read:

"~~[NEW MATERIAL]~~ SPECIAL COUNTY EDUCATION GROSS RECEIPTS TAX--AUTHORITY TO IMPOSE--RATE--ELECTION--USE OF REVENUE.--

A. Upon submission of a resolution to the governing body pursuant to Subsection D of this section, the governing body of a county shall enact an ordinance imposing an excise tax at a rate of three-fourths percent on any person engaging in business in the county for the privilege of engaging in

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1 business in the county. The tax imposed pursuant to this  
2 section may be referred to as the "special county education  
3 gross receipts tax".

4 B. The governing body of a county, at the time of  
5 enacting an ordinance imposing a special county education gross  
6 receipts tax pursuant to this section, shall dedicate the  
7 revenue only for the payment of special county education gross  
8 receipts tax revenue bonds for public school capital  
9 improvements for participating school districts, locally  
10 chartered charter schools and state-chartered charter schools  
11 in the county. The tax shall be imposed for the period  
12 necessary for payment of the principal and interest on the  
13 special county education gross receipts tax revenue bonds  
14 issued to accomplish the purpose for which the revenue is  
15 dedicated, but the period for a tax shall not exceed twenty  
16 years from the effective date of the ordinance imposing the  
17 tax.

18 C. The governing body of a county may reimpose a  
19 special county education gross receipts tax to be effective  
20 upon termination of a previously imposed special county  
21 education gross receipts tax by following the procedure set  
22 forth in this section.

23 D. Upon a finding of need, the boards of each  
24 participating school district, locally chartered charter school  
25 and state-chartered charter school in a county that is located

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1 either wholly within the exterior boundaries of the county or  
2 that has a student membership no more than fifty percent of  
3 which resides outside the exterior boundaries of the county may  
4 enter into a joint agreement to submit a resolution to the  
5 governing body of the county requiring the governing body to  
6 impose a special county education gross receipts tax and to  
7 issue special county education gross receipts tax revenue bonds  
8 for funding public school capital improvements for  
9 participating school districts, locally chartered charter  
10 schools and state-chartered charter schools. The revenues  
11 shall be distributed proportionately to each of the  
12 participating school districts, locally chartered charter  
13 schools and state-chartered charter schools for capital  
14 improvements based on the ratio of the enrollment for the  
15 fortieth day of the school year, as submitted to the public  
16 education department's student teacher accountability reporting  
17 system, to the total student enrollment of all those school  
18 districts, locally chartered charter schools and state-  
19 chartered charter schools. The board of any participating  
20 school district, locally chartered charter school or state-  
21 chartered charter school may decline to participate and thereby  
22 become ineligible to receive a proportionate share of the bond  
23 proceeds.

24 E. An ordinance imposing the special county  
25 education gross receipts tax shall not go into effect until

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1 after an election is held and a majority of the voters in the  
2 county voting in the election votes in favor of imposing the  
3 tax. The governing body of the county shall adopt a resolution  
4 calling for an election within sixty days of the date the  
5 ordinance is adopted on the question of imposing the tax. The  
6 question shall be submitted to the voters of the county as a  
7 separate question at a general election or at a special  
8 election called for that purpose by the governing body. A  
9 special election shall be called, conducted and canvassed in  
10 substantially the same manner as provided by law for general  
11 elections. If a majority of the voters voting on the question  
12 approves the ordinance imposing the special county education  
13 gross receipts tax, then the ordinance shall become effective  
14 in accordance with the provisions of the County Local Option  
15 Gross Receipts Taxes Act. If the question of imposing the  
16 special county education gross receipts tax fails, a resolution  
17 from the boards of the school districts, locally chartered  
18 charter schools and state-chartered charter schools in the  
19 county may not again be proposed to the governing body  
20 requesting imposition of the tax for a period of one year from  
21 the date of the election.

22 F. The proceeds from special county education gross  
23 receipts tax revenue bonds shall be administered by the  
24 governing body of the county and disbursed by the county  
25 treasurer to the respective school districts, locally chartered

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1 charter schools and state-chartered charter schools in the  
2 amounts and for the purposes authorized in this section and as  
3 set out in the resolution submitted by the boards to the  
4 governing body.

5 G. As used in this section:

6 (1) "board" means a board of education of a  
7 school district or the governing body of a locally chartered or  
8 state-chartered charter school;

9 (2) "capital improvements" means:

10 (a) erecting, remodeling, making  
11 additions to, providing equipment for or furnishing public  
12 school buildings; and

13 (b) purchasing or improving school  
14 grounds;

15 (3) "county" means a class B county with a  
16 population of less than forty-five thousand according to the  
17 2010 federal decennial census and a net taxable value for  
18 property tax purposes for the 2012 property tax year of more  
19 than one billion five hundred million dollars (\$1,500,000,000);  
20 and

21 (4) "equipment" means installation of  
22 equipment and technology."

23 SECTION 2. EFFECTIVE DATE.--The effective date of the  
24 provisions of this act is July 1, 2015.