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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:

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

B. The governing body of a county, at the time of enacting an ordinance imposing a special county education gross receipts tax pursuant to this section, shall dedicate the revenue only for the payment of special county education gross receipts tax revenue bonds for public school capital improvements for participating school districts, locally

1 chartered charter schools and state-chartered charter schools
2 in the county. The tax shall be imposed for the period
3 necessary for payment of the principal and interest on the
4 special county education gross receipts tax revenue bonds
5 issued to accomplish the purpose for which the revenue is
6 dedicated, but the period for a tax shall not exceed twenty
7 years from the effective date of the ordinance imposing the
8 tax.

9 C. The governing body of a county may reimpose a
10 special county education gross receipts tax to be effective
11 upon termination of a previously imposed special county
12 education gross receipts tax by following the procedure set
13 forth in this section.

14 D. Upon a finding of need, the boards of each
15 participating school district, locally chartered charter
16 school and state-chartered charter school in a county that is
17 located either wholly within the exterior boundaries of the
18 county or that has a student membership no more than fifty
19 percent of which resides outside the exterior boundaries of
20 the county may enter into a joint agreement to submit a
21 resolution to the governing body of the county requiring the
22 governing body to impose a special county education gross
23 receipts tax and to issue special county education gross
24 receipts tax revenue bonds for funding public school capital
25 improvements for participating school districts, locally

1 chartered charter schools and state-chartered charter
2 schools. The revenues shall be distributed proportionately
3 to each of the participating school districts, locally
4 chartered charter schools and state-chartered charter schools
5 for capital improvements based on the ratio of the enrollment
6 for the fortieth day of the school year, as submitted to the
7 public education department's student teacher accountability
8 reporting system, to the total student enrollment of all
9 those school districts, locally chartered charter schools and
10 state-chartered charter schools. The board of any
11 participating school district, locally chartered charter
12 school or state-chartered charter school may decline to
13 participate and thereby become ineligible to receive a
14 proportionate share of the bond proceeds.

15 E. An ordinance imposing the special county
16 education gross receipts tax shall not go into effect until
17 after an election is held and a majority of the voters in the
18 county voting in the election votes in favor of imposing the
19 tax. The governing body of the county shall adopt a
20 resolution calling for an election within sixty days of the
21 date the ordinance is adopted on the question of imposing the
22 tax. The question shall be submitted to the voters of the
23 county as a separate question at a general election or at a
24 special election called for that purpose by the governing
25 body. A special election shall be called, conducted and

1 canvassed in substantially the same manner as provided by law
2 for general elections. If a majority of the voters voting on
3 the question approves the ordinance imposing the special
4 county education gross receipts tax, then the ordinance shall
5 become effective in accordance with the provisions of the
6 County Local Option Gross Receipts Taxes Act. If the
7 question of imposing the special county education gross
8 receipts tax fails, a resolution from the boards of the
9 school districts, locally chartered charter schools and
10 state-chartered charter schools in the county may not again
11 be proposed to the governing body requesting imposition of
12 the tax for a period of one year from the date of the
13 election.

14 F. The proceeds from special county education
15 gross receipts tax revenue bonds shall be administered by the
16 governing body of the county and disbursed by the county
17 treasurer to the respective school districts, locally
18 chartered charter schools and state-chartered charter schools
19 in the amounts and for the purposes authorized in this
20 section and as set out in the resolution submitted by the
21 boards to the governing body.

22 G. As used in this section:

23 (1) "board" means a board of education of a
24 school district or the governing body of a locally chartered
25 or state-chartered charter school;

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(2) "capital improvements" means:

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

(b) purchasing or improving school grounds;

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

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

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