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HOUSE BILL 233

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

Jason C. Harper and Cathrynn N. Brown

AN ACT

RELATING TO TAXATION; ENSURING THAT A HOLD HARMLESS
DISTRIBUTION TO A MUNICIPALITY OR COUNTY DOES NOT RESULT IN
GREATER THAN ONE HUNDRED PERCENT OF THE REVENUE THE
MUNICIPALITY OR COUNTY WOULD HAVE RECEIVED IF NOT FOR THE FOOD
AND HEALTH CARE PRACTITIONERS GROSS RECEIPTS TAX DEDUCTIONS;
CHANGING THE DISTRIBUTION OF THE REVENUE ATTRIBUTABLE TO THE
MOTOR VEHICLE EXCISE TAX FROM THE GENERAL FUND TO THE STATE
ROAD FUND AND THE LOCAL GOVERNMENTS ROAD FUND.

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

SECTION 1. Section 7-1-6.46 NMSA 1978 (being Laws 2004,
Chapter 116, Section 1, as amended) is amended to read:

"7-1-6.46. DISTRIBUTION TO MUNICIPALITIES--OFFSET FOR
FOOD DEDUCTION AND HEALTH CARE PRACTITIONER SERVICES
DEDUCTION.--

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1 A. For a municipality that ~~[has not elected to~~
2 ~~impose]~~ does not have in effect a municipal hold harmless gross
3 receipts tax through an ordinance and that has a population of
4 less than ten thousand according to the most recent federal
5 decennial census, a distribution pursuant to Section 7-1-6.1
6 NMSA 1978 shall be made to ~~[a]~~ the municipality in an amount,
7 subject to any increase or decrease made pursuant to Section
8 7-1-6.15 NMSA 1978, equal to the ~~[sum of:~~

9 ~~(1) the total deductions claimed pursuant to~~
10 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~
11 ~~business locations attributable to the municipality multiplied~~
12 ~~by the sum of the combined rate of all municipal local option~~
13 ~~gross receipts taxes in effect in the municipality for the~~
14 ~~month plus one and two hundred twenty-five thousandths percent;~~
15 ~~and~~

16 ~~(2) the total deductions claimed pursuant to~~
17 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~
18 ~~business locations attributable to the municipality multiplied~~
19 ~~by the sum of the combined rate of all municipal local option~~
20 ~~gross receipts taxes in effect in the municipality for the~~
21 ~~month plus one and two hundred twenty-five thousandths percent]~~
22 applicable maximum distribution for the municipality.

23 B. For a municipality not described in Subsection A
24 of this section, a distribution pursuant to Section 7-1-6.1
25 NMSA 1978 shall be made to the municipality in an amount,

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1 subject to any increase or decrease made pursuant to Section
2 7-1-6.15 NMSA 1978, equal to the ~~[sum]~~ lesser of:

3 (1) ~~the [total deductions claimed pursuant to~~
4 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~
5 ~~business locations attributable to the municipality multiplied~~
6 ~~by the sum of the combined rate of all municipal local option~~
7 ~~gross receipts taxes in effect in the municipality on January~~
8 ~~1, 2007 plus one and two hundred twenty-five thousandths~~
9 ~~percent in] applicable maximum distribution for the~~
10 municipality, less the amount of any municipal hold harmless
11 gross receipts tax transferred to the municipality pursuant to
12 Section 7-1-6.12 NMSA 1978; or

13 (2) the applicable maximum distribution for
14 the municipality multiplied by the following percentages:

15 ~~[(a) prior to July 1, 2015, one hundred~~
16 ~~percent;~~

17 ~~(b) on or after July 1, 2015 and prior~~
18 ~~to July 1, 2016, ninety-four percent;~~

19 ~~(c) on or after July 1, 2016 and prior~~
20 ~~to July 1, 2017, eighty-eight percent;~~

21 ~~(d) on or after July 1, 2017 and prior~~
22 ~~to July 1, 2018, eighty-two percent;~~

23 ~~(e) on or after July 1, 2018 and prior~~
24 ~~to July 1, 2019, seventy-six percent;~~

25 ~~(f) on or after July 1, 2019 and prior~~

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1 ~~to July 1, 2020, seventy percent;~~

2 ~~(g) on or after July 1, 2020 and prior~~
3 ~~to July 1, 2021, sixty-three percent;~~

4 ~~(h) on or after July 1, 2021 and prior~~
5 ~~to July 1, 2022, fifty-six percent;~~

6 ~~(i) on or after July 1, 2022 and prior~~
7 ~~to July 1, 2023, forty-nine percent;~~

8 ~~(j) on or after July 1, 2023 and prior~~
9 ~~to July 1, 2024, forty-two percent;~~

10 ~~(k) on or after July 1, 2024 and prior~~
11 ~~to July 1, 2025, thirty-five percent;~~

12 ~~(l) on or after July 1, 2025 and prior~~
13 ~~to July 1, 2026, twenty-eight percent;~~

14 ~~(m) on or after July 1, 2026 and prior~~
15 ~~to July 1, 2027, twenty-one percent;~~

16 ~~(n) on or after July 1, 2027 and prior~~
17 ~~to July 1, 2028, fourteen percent; and~~

18 ~~(o) on or after July 1, 2028 and prior~~
19 ~~to July 1, 2029, seven percent; and~~

20 ~~(2) the total deductions claimed pursuant to~~
21 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~
22 ~~business locations attributable to the municipality multiplied~~
23 ~~by the sum of the combined rate of all municipal local option~~
24 ~~gross receipts taxes in effect in the municipality on January~~
25 ~~1, 2007 plus one and two hundred twenty-five thousandths~~

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1 ~~percent in the following percentages]~~

2 (a) prior to July 1, 2015, one hundred
3 percent;

4 (b) on or after July 1, 2015 and prior
5 to July 1, 2016, ninety-four percent;

6 (c) on or after July 1, 2016 and prior
7 to July 1, 2017, eighty-eight percent;

8 (d) on or after July 1, 2017 and prior
9 to July 1, 2018, eighty-two percent;

10 (e) on or after July 1, 2018 and prior
11 to July 1, 2019, seventy-six percent;

12 (f) on or after July 1, 2019 and prior
13 to July 1, 2020, seventy percent;

14 (g) on or after July 1, 2020 and prior
15 to July 1, 2021, sixty-three percent;

16 (h) on or after July 1, 2021 and prior
17 to July 1, 2022, fifty-six percent;

18 (i) on or after July 1, 2022 and prior
19 to July 1, 2023, forty-nine percent;

20 (j) on or after July 1, 2023 and prior
21 to July 1, 2024, forty-two percent;

22 (k) on or after July 1, 2024 and prior
23 to July 1, 2025, thirty-five percent;

24 (l) on or after July 1, 2025 and prior
25 to July 1, 2026, twenty-eight percent;

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1 (m) on or after July 1, 2026 and prior
2 to July 1, 2027, twenty-one percent;

3 (n) on or after July 1, 2027 and prior
4 to July 1, 2028, fourteen percent; ~~and~~

5 (o) on or after July 1, 2028 and prior
6 to July 1, 2029, seven percent; and

7 (p) on or after July 1, 2029, zero
8 percent.

9 C. ~~[The]~~ A distribution pursuant to ~~[Subsections A~~
10 ~~and B of]~~ this section is in lieu of revenue that would have
11 been received by the municipality but for the deductions
12 provided by Sections 7-9-92 and 7-9-93 NMSA 1978. The
13 distribution shall be considered gross receipts tax revenue and
14 shall be used by the municipality in the same manner as gross
15 receipts tax revenue, including payment of gross receipts tax
16 revenue bonds. ~~[A distribution pursuant to this section to a~~
17 ~~municipality not described in Subsection A of this section or~~
18 ~~to a municipality that has imposed a gross receipts tax through~~
19 ~~an ordinance that does not provide a deduction contained in the~~
20 ~~Gross Receipts and Compensating Tax Act shall not be made on or~~
21 ~~after July 1, 2029.]~~

22 D. A distribution made pursuant to Subsection B of
23 this section shall not be less than zero.

24 ~~[D.]~~ E. If the reductions made by this ~~[2013]~~ 2016
25 act to the distributions made pursuant to ~~[Subsections A and B~~

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1 ~~of~~] this section impair the ability of a municipality to meet
2 its principal or interest payment obligations for revenue bonds
3 that are outstanding prior to July 1, [~~2013~~] 2016 and that are
4 secured by the pledge of all or part of the municipality's
5 revenue from the distribution made pursuant to this section,
6 then the amount distributed pursuant to this section to that
7 municipality shall be increased by an amount sufficient to meet
8 the required payment; provided that the total amount
9 distributed to that municipality pursuant to this section does
10 not exceed the amount that would have been due that
11 municipality pursuant to this section as it was in effect on
12 June 30, [~~2013~~] 2016.

13 [~~E.~~] F. For the purposes of this section:

14 (1) "business locations attributable to the
15 municipality" means business locations:

16 [~~(1)~~] (a) within the municipality;

17 [~~(2)~~] (b) on land owned by the state,
18 commonly known as the "state fairgrounds", within the exterior
19 boundaries of the municipality;

20 [~~(3)~~] (c) outside the boundaries of the
21 municipality on land owned by the municipality; and

22 [~~(4)~~] (d) on an Indian reservation or
23 pueblo grant in an area that is contiguous to the municipality
24 and in which the municipality performs services pursuant to a
25 contract between the municipality and the Indian tribe or

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1 Indian pueblo if: [~~(a)~~] 1) the contract describes an area in
2 which the municipality is required to perform services and
3 requires the municipality to perform services that are
4 substantially the same as the services the municipality
5 performs for itself; and [~~(b)~~] 2) the governing body of the
6 municipality has submitted a copy of the contract to the
7 secretary; and

8 (2) "maximum distribution" means:

9 (a) for a municipality that has a
10 population of less than ten thousand according to the most
11 recent federal decennial census, the total deductions claimed
12 pursuant to Sections 7-9-92 and 7-9-93 NMSA 1978 for the month
13 by taxpayers from business locations attributable to the
14 municipality multiplied by the sum of the combined rate of all
15 municipal local option gross receipts taxes in effect in the
16 municipality for the month plus one and two hundred twenty-five
17 thousandths percent; and

18 (b) for a municipality that has a
19 population of ten thousand or more according to the most recent
20 federal decennial census, the total deductions claimed pursuant
21 to Sections 7-9-92 and 7-9-93 NMSA 1978 for the month by
22 taxpayers from business locations attributable to the
23 municipality multiplied by the sum of the combined rate of all
24 municipal local option gross receipts taxes in effect in the
25 municipality on January 1, 2007 plus one and two hundred

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1 twenty-five thousandths percent.

2 [F-] G. A distribution pursuant to this section may
3 be adjusted for a distribution made to a tax increment
4 development district with respect to a portion of a gross
5 receipts tax increment dedicated by a municipality pursuant to
6 the Tax Increment for Development Act."

7 SECTION 2. Section 7-1-6.47 NMSA 1978 (being Laws 2004,
8 Chapter 116, Section 2, as amended) is amended to read:

9 "7-1-6.47. DISTRIBUTION TO COUNTIES--OFFSET FOR FOOD
10 DEDUCTION AND HEALTH CARE PRACTITIONER SERVICES DEDUCTION.--

11 A. For a county that [~~has not elected to impose~~]
12 does not have in effect a county hold harmless gross receipts
13 tax through an ordinance and that has a population of less than
14 forty-eight thousand according to the most recent federal
15 decennial census, a distribution pursuant to Section 7-1-6.1
16 NMSA 1978 shall be made to [æ] the county in an amount, subject
17 to any increase or decrease made pursuant to Section 7-1-6.15
18 NMSA 1978, equal to the [~~sum of:~~

19 ~~(1) the total deductions claimed pursuant to~~
20 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~
21 ~~business locations within a municipality in the county~~
22 ~~multiplied by the combined rate of all county local option~~
23 ~~gross receipts taxes in effect for the month that are imposed~~
24 ~~throughout the county;~~

25 ~~(2) the total deductions claimed pursuant to~~

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1 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~
2 ~~business locations in the county but not within a municipality~~
3 ~~multiplied by the combined rate of all county local option~~
4 ~~gross receipts taxes in effect for the month that are imposed~~
5 ~~in the county area not within a municipality;~~

6 ~~(3) the total deductions claimed pursuant to~~
7 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~
8 ~~business locations within a municipality in the county~~
9 ~~multiplied by the combined rate of all county local option~~
10 ~~gross receipts taxes in effect for the month that are imposed~~
11 ~~throughout the county; and~~

12 ~~(4) the total deductions claimed pursuant to~~
13 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~
14 ~~business locations in the county but not within a municipality~~
15 ~~multiplied by the combined rate of all county local option~~
16 ~~gross receipts taxes in effect for the month that are imposed~~
17 ~~in the county area not within a municipality] applicable~~
18 ~~maximum distribution for the county.~~

19 B. For a county not described in Subsection A of
20 this section, a distribution pursuant to Section 7-1-6.1 NMSA
21 1978 shall be made to the county in an amount, subject to any
22 increase or decrease made pursuant to Section 7-1-6.15 NMSA
23 1978, equal to the [sum] lesser of:

24 (1) the [~~total deductions claimed pursuant to~~
25 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~

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1 ~~business locations within a municipality in the county~~
2 ~~multiplied by the combined rate of all county local option~~
3 ~~gross receipts taxes in effect on January 1, 2007 that are~~
4 ~~imposed throughout the county in] applicable maximum~~
5 ~~distribution for the county, less the amount of any county hold~~
6 ~~harmless gross receipts tax imposed in the county and~~
7 ~~transferred to the county pursuant to Section 7-1-6.13 NMSA~~
8 ~~1978; or~~

9 (2) the applicable maximum distribution for
10 the county multiplied by the following percentages:

11 ~~[(a) prior to July 1, 2015, one hundred~~
12 ~~percent;~~

13 ~~(b) on or after July 1, 2015 and prior~~
14 ~~to July 1, 2016, ninety-four percent;~~

15 ~~(c) on or after July 1, 2016 and prior~~
16 ~~to July 1, 2017, eighty-eight percent;~~

17 ~~(d) on or after July 1, 2017 and prior~~
18 ~~to July 1, 2018, eighty-two percent;~~

19 ~~(e) on or after July 1, 2018 and prior~~
20 ~~to July 1, 2019, seventy-six percent;~~

21 ~~(f) on or after July 1, 2019 and prior~~
22 ~~to July 1, 2020, seventy percent;~~

23 ~~(g) on or after July 1, 2020 and prior~~
24 ~~to July 1, 2021, sixty-three percent;~~

25 ~~(h) on or after July 1, 2021 and prior~~

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1 ~~to July 1, 2022, fifty-six percent;~~

2 ~~(i) on or after July 1, 2022 and prior~~
3 ~~to July 1, 2023, forty-nine percent;~~

4 ~~(j) on or after July 1, 2023 and prior~~
5 ~~to July 1, 2024, forty-two percent;~~

6 ~~(k) on or after July 1, 2024 and prior~~
7 ~~to July 1, 2025, thirty-five percent;~~

8 ~~(l) on or after July 1, 2025 and prior~~
9 ~~to July 1, 2026, twenty-eight percent;~~

10 ~~(m) on or after July 1, 2026 and prior~~
11 ~~to July 1, 2027, twenty-one percent;~~

12 ~~(n) on or after July 1, 2027 and prior~~
13 ~~to July 1, 2028, fourteen percent; and~~

14 ~~(o) on or after July 1, 2028 and prior~~
15 ~~to July 1, 2029, seven percent;~~

16 ~~(2) the total deductions claimed pursuant to~~
17 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~
18 ~~business locations in the county but not within a municipality~~
19 ~~multiplied by the combined rate of all county local option~~
20 ~~gross receipts taxes in effect on January 1, 2007 that are~~
21 ~~imposed in the county area not within a municipality in the~~
22 ~~following percentages:~~

23 ~~(a) prior to July 1, 2015, one hundred~~
24 ~~percent;~~

25 ~~(b) on or after July 1, 2015 and prior~~

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1 ~~to July 1, 2016, ninety-four percent;~~

2 ~~(c) on or after July 1, 2016 and prior~~
3 ~~to July 1, 2017, eighty-eight percent;~~

4 ~~(d) on or after July 1, 2017 and prior~~
5 ~~to July 1, 2018, eighty-two percent;~~

6 ~~(e) on or after July 1, 2018 and prior~~
7 ~~to July 1, 2019, seventy-six percent;~~

8 ~~(f) on or after July 1, 2019 and prior~~
9 ~~to July 1, 2020, seventy percent;~~

10 ~~(g) on or after July 1, 2020 and prior~~
11 ~~to July 1, 2021, sixty-three percent;~~

12 ~~(h) on or after July 1, 2021 and prior~~
13 ~~to July 1, 2022, fifty-six percent;~~

14 ~~(i) on or after July 1, 2022 and prior~~
15 ~~to July 1, 2023, forty-nine percent;~~

16 ~~(j) on or after July 1, 2023 and prior~~
17 ~~to July 1, 2024, forty-two percent;~~

18 ~~(k) on or after July 1, 2024 and prior~~
19 ~~to July 1, 2025, thirty-five percent;~~

20 ~~(l) on or after July 1, 2025 and prior~~
21 ~~to July 1, 2026, twenty-eight percent;~~

22 ~~(m) on or after July 1, 2026 and prior~~
23 ~~to July 1, 2027, twenty-one percent;~~

24 ~~(n) on or after July 1, 2027 and prior~~
25 ~~to July 1, 2028, fourteen percent; and~~

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1 ~~(o) on or after July 1, 2028 and prior~~
2 ~~to July 1, 2029, seven percent;~~

3 ~~(3) the total deductions claimed pursuant to~~
4 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~
5 ~~business locations within a municipality in the county~~
6 ~~multiplied by the combined rate of all county local option~~
7 ~~gross receipts taxes in effect on January 1, 2007 that are~~
8 ~~imposed throughout the county in the following percentages:~~

9 ~~(a) prior to July 1, 2015, one hundred~~
10 ~~percent;~~

11 ~~(b) on or after July 1, 2015 and prior~~
12 ~~to July 1, 2016, ninety-four percent;~~

13 ~~(c) on or after July 1, 2016 and prior~~
14 ~~to July 1, 2017, eighty-eight percent;~~

15 ~~(d) on or after July 1, 2017 and prior~~
16 ~~to July 1, 2018, eighty-two percent;~~

17 ~~(e) on or after July 1, 2018 and prior~~
18 ~~to July 1, 2019, seventy-six percent;~~

19 ~~(f) on or after July 1, 2019 and prior~~
20 ~~to July 1, 2020, seventy percent;~~

21 ~~(g) on or after July 1, 2020 and prior~~
22 ~~to July 1, 2021, sixty-three percent;~~

23 ~~(h) on or after July 1, 2021 and prior~~
24 ~~to July 1, 2022, fifty-six percent;~~

25 ~~(i) on or after July 1, 2022 and prior~~

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1 ~~to July 1, 2023, forty-nine percent;~~

2 ~~(j) on or after July 1, 2023 and prior~~
3 ~~to July 1, 2024, forty-two percent;~~

4 ~~(k) on or after July 1, 2024 and prior~~
5 ~~to July 1, 2025, thirty-five percent;~~

6 ~~(l) on or after July 1, 2025 and prior~~
7 ~~to July 1, 2026, twenty-eight percent;~~

8 ~~(m) on or after July 1, 2026 and prior~~
9 ~~to July 1, 2027, twenty-one percent;~~

10 ~~(n) on or after July 1, 2027 and prior~~
11 ~~to July 1, 2028, fourteen percent; and~~

12 ~~(o) on or after July 1, 2028 and prior~~
13 ~~to July 1, 2029, seven percent; and~~

14 ~~(4) the total deductions claimed pursuant to~~
15 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~
16 ~~business locations in the county but not within a municipality~~
17 ~~multiplied by the combined rate of all county local option~~
18 ~~gross receipts taxes in effect on January 1, 2007 that are~~
19 ~~imposed in the county area not within a municipality in the~~
20 ~~following percentages]~~

21 ~~(a) prior to July 1, 2015, one hundred~~
22 ~~percent;~~

23 ~~(b) on or after July 1, 2015 and prior~~
24 ~~to July 1, 2016, ninety-four percent;~~

25 ~~(c) on or after July 1, 2016 and prior~~

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1 to July 1, 2017, eighty-eight percent;

2 (d) on or after July 1, 2017 and prior
3 to July 1, 2018, eighty-two percent;

4 (e) on or after July 1, 2018 and prior
5 to July 1, 2019, seventy-six percent;

6 (f) on or after July 1, 2019 and prior
7 to July 1, 2020, seventy percent;

8 (g) on or after July 1, 2020 and prior
9 to July 1, 2021, sixty-three percent;

10 (h) on or after July 1, 2021 and prior
11 to July 1, 2022, fifty-six percent;

12 (i) on or after July 1, 2022 and prior
13 to July 1, 2023, forty-nine percent;

14 (j) on or after July 1, 2023 and prior
15 to July 1, 2024, forty-two percent;

16 (k) on or after July 1, 2024 and prior
17 to July 1, 2025, thirty-five percent;

18 (l) on or after July 1, 2025 and prior
19 to July 1, 2026, twenty-eight percent;

20 (m) on or after July 1, 2026 and prior
21 to July 1, 2027, twenty-one percent;

22 (n) on or after July 1, 2027 and prior
23 to July 1, 2028, fourteen percent; ~~and~~

24 (o) on or after July 1, 2028 and prior
25 to July 1, 2029, seven percent; and

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1 payment; provided that the total amount distributed to that
2 county pursuant to this section does not exceed the amount that
3 would have been due that county pursuant to this section as it
4 was in effect on June 30, [~~2013~~] 2016.

5 ~~[E.]~~ F. A distribution pursuant to this section may
6 be adjusted for a distribution made to a tax increment
7 development district with respect to a portion of a gross
8 receipts tax increment dedicated by a county pursuant to the
9 Tax Increment for Development Act.

10 G. For purposes of this section, "maximum
11 distribution" means:

12 (1) for counties that have a population of
13 less than forty-eight thousand according to the most recent
14 federal decennial census, the sum of: 1) the total deductions
15 claimed pursuant to Sections 7-9-92 and 7-9-93 NMSA 1978 for
16 the month by taxpayers from business locations within a
17 municipality in the county multiplied by the combined rate of
18 all county local option gross receipts taxes in effect for the
19 month that are imposed throughout the county; and 2) the total
20 deductions claimed pursuant to Sections 7-9-92 and 7-9-93 NMSA
21 1978 for the month by taxpayers from business locations in the
22 county but not within a municipality multiplied by the combined
23 rate of all county local option gross receipts taxes in effect
24 for the month that are imposed in the county area not within a
25 municipality; and

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1 (2) for counties that have a population of
2 forty-eight thousand or more according to the most recent
3 federal decennial census, the sum of: 1) the total deductions
4 claimed pursuant to Sections 7-9-92 and 7-9-93 NMSA 1978 for
5 the month by taxpayers from business locations within a
6 municipality in the county multiplied by the combined rate of
7 all county local option gross receipts taxes in effect on
8 January 1, 2007 that are imposed throughout the county; and 2)
9 the total deductions claimed pursuant to Sections 7-9-92 and
10 7-9-93 NMSA 1978 for the month by taxpayers from business
11 locations in the county but not within a municipality
12 multiplied by the combined rate of all county local option
13 gross receipts taxes in effect on January 1, 2007 that are
14 imposed in the county area not within a municipality."

15 SECTION 3. Section 7-14-10 NMSA 1978 (being Laws 1988,
16 Chapter 73, Section 20, as amended) is amended to read:

17 "7-14-10. DISTRIBUTION OF PROCEEDS.--The receipts from
18 the tax and any associated interest and penalties shall be
19 deposited in the "motor vehicle suspense fund", hereby created
20 in the state treasury. As of the end of each month, the net
21 receipts attributable to the tax and associated penalties and
22 interest shall be distributed [~~to the general fund~~] as follows:

23 A. on or after July 1, 2016 and prior to July 1,
24 2017:

25 (1) eighty percent to the general fund;

1 (2) twelve percent to the state road fund; and
2 (3) eight percent to the local governments
3 road fund;

4 B. on or after July 1, 2017 and prior to July 1,
5 2018:

6 (1) sixty percent to the general fund;
7 (2) twenty-four percent to the state road
8 fund; and
9 (3) sixteen percent to the local governments
10 road fund;

11 C. on or after July 1, 2018 and prior to July 1,
12 2019:

13 (1) forty percent to the general fund;
14 (2) thirty-six percent to the state road fund;
15 and
16 (3) twenty-four percent to the local
17 governments road fund;

18 D. on or after July 1, 2019 and prior to July 1,
19 2020:

20 (1) thirty percent to the general fund;
21 (2) forty-two percent to the state road fund;
22 and
23 (3) twenty-eight percent to the local
24 governments road fund;

25 E. on or after July 1, 2020 and prior to July 1,

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2021:

- (1) twenty percent to the general fund;
- (2) forty-eight percent to the state road fund; and
- (3) thirty-two percent to the local governments road fund;

F. on or after July 1, 2021 and prior to July 1,

2022:

- (1) ten percent to the general fund;
 - (2) fifty-four percent to the state road fund;
- and
- (3) thirty-six percent to the local governments road fund; and

G. on or after July 1, 2022:

- (1) sixty percent to the state road fund; and
- (2) forty percent to the local governments

road fund."

SECTION 4. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2016.