



(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

Synopsis: To temporarily exempt from Gaming Control Act, payment of gaming tax (§60-2E-47(B) NMSA) by licensee located in a Disaster Area (Due to a Wildfire occurring June 2024), through July 1, 2029.

#### **FISCAL IMPLICATIONS**

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

#### **SIGNIFICANT ISSUES**

Pursuant to §60-2E-47(B) NMSA, “twenty-four and eight-tenths percent of the net take of every other gaming operator licensee.”

Pursuant to §60-2E-3(FF) NMSA, “net take” means the total of the following, less the total of all cash paid out as losses to winning patrons and those amounts paid to purchase annuities to fund losses paid to winning patrons over several years by independent administrators: (1) cash received from patrons for playing a game; (2) cash received in payment for credit extended by a licensee to a patron for playing a game; and (3) compensation received for conducting a game in which the licensee is not a party to a wager.”

Pursuant to §60-2E-47(E) NMSA states, In addition to the gaming tax, a gaming operator licensee that is a racetrack shall pay:

- (1) twenty percent of its net take solely to purses in accordance with rules adopted by the state racing commission; and
- (2) one and two-tenths percent of its net take solely to offset the costs of jockey and exercise rider insurance and to comply with federal and state laws affecting horse racing.

If the tax is exempted, potentially for the next four and a half years, the amounts calculated for the fees sent to the NMRC for purses and jockey and exercise rider insurance (§60-2E-47(E)) would significantly increase.

#### **PERFORMANCE IMPLICATIONS**

Racetrack Gaming Operators do not pay tax on net take as required by law if they are not open. No net take, no tax.

#### **ADMINISTRATIVE IMPLICATIONS**

**CONFLICT,**

**DUPLICATION, HB 447**

## **COMPANIONSHIP, RELATIONSHIP**

### **TECHNICAL ISSUES**

Emergency clause implementation.

Repealed July 1, 2029.

### **OTHER SUBSTANTIVE ISSUES**

### **ALTERNATIVES**

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Status Quo.

### **AMENDMENTS**