

1 SENATE BILL 284

2 **52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016**

3 INTRODUCED BY

4 John Arthur Smith

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10 AN ACT

11 RELATING TO TAXATION; INCREASING AND INDEXING THE GASOLINE TAX
12 AND THE SPECIAL FUEL EXCISE TAX; CREATING THE STATE ROAD
13 MAINTENANCE FUND; CREATING THE CARLSBAD BRINE WELL REMEDIATION
14 FUND; PROVIDING A DISTRIBUTION OF GASOLINE AND SPECIAL FUELS
15 TAXES TO THE STATE ROAD MAINTENANCE FUND, TO MUNICIPALITIES AND
16 COUNTIES FOR MAINTENANCE AND REPAIR OF EXISTING TRANSPORTATION
17 INFRASTRUCTURE AND TO THE CARLSBAD BRINE WELL REMEDIATION FUND;
18 REQUIRING THE CITY OF CARLSBAD AND EDDY COUNTY TO TRANSFER A
19 CERTAIN AMOUNT OF A DISTRIBUTION OF THE TAXES IMPOSED PURSUANT
20 TO THE GASOLINE TAX ACT AND THE SPECIAL FUELS SUPPLIER TAX ACT
21 TO THE CARLSBAD BRINE WELL REMEDIATION FUND; ADJUSTING
22 PERCENTAGES OF THE DISTRIBUTIONS OF THE GASOLINE AND SPECIAL
23 FUELS TAXES TO ENSURE CERTAIN ENTITIES RECEIVING SUCH
24 DISTRIBUTIONS RECEIVE THE SAME PROPORTION OF REVENUE
25 ATTRIBUTABLE TO THE GASOLINE AND SPECIAL FUELS TAXES.

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

SECTION 1. Section 7-1-6.7 NMSA 1978 (being Laws 1994, Chapter 5, Section 2, as amended) is amended to read:

"7-1-6.7. DISTRIBUTIONS--STATE AVIATION FUND.--

A. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state aviation fund in an amount equal to four and seventy-nine hundredths percent of the taxable gross receipts attributable to the sale of fuel specially prepared and sold for use in turboprop or jet-type engines as determined by the department.

B. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state aviation fund in an amount equal to [~~twenty-six hundredths~~] two-tenths percent of gasoline taxes [~~exclusive of penalties and interest~~] collected pursuant to the Gasoline Tax Act.

C. From July 1, 2013 through June 30, 2018, a distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state aviation fund in an amount equal to forty-six thousandths percent of the net receipts attributable to the gross receipts tax distributable to the general fund.

D. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state aviation fund from the net receipts attributable to the gross receipts tax distributable to the general fund in an amount equal to:

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1 (1) eighty thousand dollars (\$80,000) monthly
2 from July 1, 2007 through June 30, 2008;

3 (2) one hundred sixty-seven thousand dollars
4 (\$167,000) monthly from July 1, 2008 through June 30, 2009; and

5 (3) two hundred fifty thousand dollars
6 (\$250,000) monthly after July 1, 2009."

7 SECTION 2. Section 7-1-6.8 NMSA 1978 (being Laws 1983,
8 Chapter 211, Section 13, as amended) is amended to read:

9 "7-1-6.8. DISTRIBUTION--MOTORBOAT FUEL TAX FUND.--A
10 distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be
11 made to the motorboat fuel tax fund in an amount equal to
12 [~~thirteen-hundredths of one~~] one-tenth percent of the net
13 receipts attributable to the gasoline tax."

14 SECTION 3. Section 7-1-6.9 NMSA 1978 (being Laws 1991,
15 Chapter 9, Section 11, as amended) is amended to read:

16 "7-1-6.9. DISTRIBUTION OF GASOLINE TAXES TO
17 MUNICIPALITIES AND COUNTIES.--

18 A. A distribution pursuant to Section 7-1-6.1 NMSA
19 1978 shall be made in an amount equal to [~~ten and thirty-eight~~
20 ~~hundredths~~] eight and three-hundredths percent of the net
21 receipts attributable to the taxes [~~exclusive of penalties and~~
22 ~~interest~~] imposed by the Gasoline Tax Act.

23 [~~B. Except as provided in Subsection D of this~~
24 ~~section, the amount determined in Subsection A of this section~~
25 ~~shall be distributed as follows:~~

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1 ~~(1) ninety percent of the amount shall be paid~~
2 ~~to the treasurers of municipalities and H class counties in the~~
3 ~~proportion that the taxable motor fuel sales in each of the~~
4 ~~municipalities and H class counties bears to the aggregate~~
5 ~~taxable motor fuel sales in all of these municipalities and H~~
6 ~~class counties; and~~

7 ~~(2) ten percent of the amount shall be paid to~~
8 ~~the treasurers of the counties, including H class counties, in~~
9 ~~the proportion that the taxable motor fuel sales outside of~~
10 ~~incorporated municipalities in each of the counties bears to~~
11 ~~the aggregate taxable motor fuel sales outside of incorporated~~
12 ~~municipalities in all of the counties.~~

13 G.] Except as provided in Subsection D of this
14 section, this distribution shall be paid into a separate road
15 fund in the municipal treasury or county road fund for
16 expenditure only for construction, reconstruction, resurfacing
17 or other improvement or maintenance of public roads, streets,
18 alleys or bridges, including right-of-way and materials
19 acquisition.

20 B. Money distributed pursuant to this section may
21 be used by a municipality or county to provide matching funds
22 for projects subject to cooperative agreements entered into
23 with the [~~state highway and~~] department of transportation
24 [~~department~~] pursuant to Section 67-3-28 NMSA 1978. Any
25 municipality or H class county that has created or that creates

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1 a "street improvement fund" to which gasoline tax revenues or
2 distributions are irrevocably pledged under Sections 3-34-1
3 through 3-34-4 NMSA 1978 or that has pledged all or a portion
4 of gasoline tax revenues or distributions to the payment of
5 bonds shall receive its proportion of the distribution of
6 revenues under this section impressed with and subject to these
7 pledges.

8 C. The amount determined in Subsection A of this
9 section shall be distributed as follows:

10 (1) ninety percent of the amount shall be paid
11 to the treasurers of municipalities and H class counties in the
12 proportion that the taxable motor fuel sales in each of the
13 municipalities and H class counties bears to the aggregate
14 taxable motor fuel sales in all of these municipalities and H
15 class counties; and

16 (2) ten percent of the amount shall be paid to
17 the treasurers of the counties, including H class counties, in
18 the proportion that the taxable motor fuel sales outside of
19 incorporated municipalities in each of the counties bears to
20 the aggregate taxable motor fuel sales outside of incorporated
21 municipalities in all of the counties.

22 D. ~~[This]~~ The distribution made pursuant to this
23 section may be paid into a separate road fund or the general
24 fund of the municipality or county if the municipality has a
25 population less than three thousand or the county has a

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1 population less than four thousand."

2 SECTION 4. Section 7-1-6.10 NMSA 1978 (being Laws 1983,
3 Chapter 211, Section 15, as amended) is amended to read:

4 "7-1-6.10. DISTRIBUTIONS--STATE ROAD FUND.--

5 A. A distribution pursuant to Section 7-1-6.1 NMSA
6 1978 shall be made to the state road fund in an amount equal to
7 the net receipts attributable to the taxes, surcharges,
8 penalties and interest imposed pursuant to the Gasoline Tax Act
9 and to the taxes, surtaxes, fees, penalties and interest
10 imposed pursuant to the Special Fuels Supplier Tax Act and the
11 Alternative Fuel Tax Act less:

12 (1) the amount distributed to the state
13 aviation fund pursuant to Subsection B of Section 7-1-6.7 NMSA
14 1978;

15 (2) the amount distributed to the motorboat
16 fuel tax fund pursuant to Section 7-1-6.8 NMSA 1978;

17 (3) the amount distributed to municipalities
18 and counties pursuant to [~~Subsection A of~~] Section 7-1-6.9 NMSA
19 1978 and Section 9 of this 2016 act;

20 (4) the amount distributed to the county
21 government road fund pursuant to Section 7-1-6.19 NMSA 1978;

22 (5) the amount distributed to the local
23 governments road fund pursuant to Section 7-1-6.39 NMSA 1978;

24 (6) the amount distributed to the
25 municipalities pursuant to Section 7-1-6.27 NMSA 1978;

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1 (7) the amount distributed to the municipal
2 arterial program of the local governments road fund pursuant to
3 Section 7-1-6.28 NMSA 1978;

4 (8) the amount distributed to a qualified
5 tribe pursuant to [~~a gasoline tax sharing agreement entered~~
6 ~~into between the secretary of transportation and the qualified~~
7 ~~tribe pursuant to the provisions of~~] Section [~~67-3-8.1~~]
8 7-1-6.44 NMSA 1978; [~~and~~]

9 (9) the amount distributed to the general fund
10 pursuant to Section 7-1-6.44 NMSA 1978; and

11 (10) the amount distributed to the state road
12 maintenance fund pursuant to Section 10 of this 2016 act.

13 B. A distribution pursuant to Section 7-1-6.1 NMSA
14 1978 shall be made to the state road fund in an amount equal to
15 the net receipts attributable to the taxes, interest and
16 penalties from the Weight Distance Tax Act."

17 SECTION 5. Section 7-1-6.19 NMSA 1978 (being Laws 1991,
18 Chapter 9, Section 15, as amended) is amended to read:

19 "7-1-6.19. DISTRIBUTION--COUNTY GOVERNMENT ROAD FUND
20 CREATED.--

21 A. There is created in the state treasury the
22 "county government road fund".

23 B. A distribution pursuant to Section 7-1-6.1 NMSA
24 1978 shall be made to the county government road fund in an
25 amount equal to [~~five and seventy-six hundredths~~] four and

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1 forty-five hundredths percent of the net receipts attributable
2 to the gasoline tax."

3 SECTION 6. Section 7-1-6.27 NMSA 1978 (being Laws 1991,
4 Chapter 9, Section 20, as amended) is amended to read:

5 "7-1-6.27. DISTRIBUTION--MUNICIPAL ROADS.--

6 A. A distribution pursuant to Section 7-1-6.1 NMSA
7 1978 shall be made to municipalities for the purposes and
8 amounts specified in this section in an aggregate amount equal
9 to [~~five and seventy-six hundredths~~] four and forty-five
10 hundredths percent of the net receipts attributable to the
11 gasoline tax.

12 B. The distribution authorized in this section
13 shall be used for the following purposes:

14 (1) reconstructing, resurfacing, maintaining,
15 repairing or otherwise improving existing alleys, streets,
16 roads or bridges, or any combination of the foregoing; or
17 laying off, opening, constructing or otherwise acquiring new
18 alleys, streets, roads or bridges, or any combination of the
19 foregoing; provided that any of the foregoing improvements may
20 include, but are not limited to, the acquisition of rights of
21 way;

22 (2) to provide matching funds for projects
23 subject to cooperative agreements with the [~~state highway and~~]
24 department of transportation [~~department~~] pursuant to Section
25 67-3-28 NMSA 1978; and

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1 (3) for expenses of purchasing, maintaining
2 and operating transit operations and facilities, for the
3 operation of a transit authority established by the Municipal
4 Transit Law and for the operation of a vehicle emission
5 inspection program. A municipality may engage in the business
6 of the transportation of passengers and property within the
7 political subdivision by whatever means the municipality may
8 decide and may acquire cars, trucks, motor buses and other
9 equipment necessary for operating the business. A municipality
10 may acquire land, erect buildings and equip the buildings with
11 all the necessary machinery and facilities for the operation,
12 maintenance, modification, repair and storage of the cars,
13 trucks, motor buses and other equipment needed. A municipality
14 may do all things necessary for the acquisition and the conduct
15 of the business of public transportation.

16 C. For the purposes of this section:

17 (1) "computed distribution amount" means the
18 distribution amount calculated for a municipality for a month
19 pursuant to Paragraph (2) of Subsection D of this section prior
20 to any adjustments to the amount due to the provisions of
21 Subsections E and F of this section;

22 (2) "floor amount" means four hundred
23 seventeen dollars (\$417);

24 (3) "floor municipality" means a municipality
25 whose computed distribution amount is less than the floor

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1 amount; and

2 (4) "full distribution municipality" means a
3 municipality whose population at the last federal decennial
4 census was at least two hundred thousand.

5 D. Subject to the provisions of Subsections E and F
6 of this section, each municipality shall be distributed a
7 portion of the aggregate amount distributable under this
8 section in an amount equal to the greater of:

9 (1) the floor amount; or

10 (2) eighty-five percent of the aggregate
11 amount distributable under this section times a fraction, the
12 numerator of which is the municipality's reported taxable
13 gallons of gasoline for the immediately preceding state fiscal
14 year and the denominator of which is the reported total taxable
15 gallons for all municipalities for the same period.

16 E. Fifteen percent of the aggregate amount
17 distributable under this section shall be referred to as the
18 "redistribution amount". Beginning in August 1990, and each
19 month thereafter, from the redistribution amount there shall be
20 taken an amount sufficient to increase the computed
21 distribution amount of every floor municipality to the floor
22 amount. In the event that the redistribution amount is
23 insufficient for this purpose, the computed distribution amount
24 for each floor municipality shall be increased by an amount
25 equal to the redistribution amount times a fraction, the

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1 numerator of which is the difference between the floor amount
2 and the municipality's computed distribution amount and the
3 denominator of which is the difference between the product of
4 the floor amount multiplied by the number of floor
5 municipalities and the total of the computed distribution
6 amounts for all floor municipalities.

7 F. If a balance remains after the redistribution
8 amount has been reduced pursuant to Subsection E of this
9 section, there shall be added to the computed distribution
10 amount of each municipality that is neither a full distribution
11 municipality nor a floor municipality an amount that equals the
12 balance of the redistribution amount times a fraction, the
13 numerator of which is the computed distribution amount of the
14 municipality and the denominator of which is the sum of the
15 computed distribution amounts of all municipalities that are
16 neither full distribution municipalities nor floor
17 municipalities."

18 SECTION 7. Section 7-1-6.28 NMSA 1978 (being Laws 1991,
19 Chapter 9, Section 22, as amended) is amended to read:

20 "7-1-6.28. DISTRIBUTION--MUNICIPAL ARTERIAL PROGRAM OF
21 LOCAL GOVERNMENTS ROAD FUND.--A distribution pursuant to
22 Section 7-1-6.1 NMSA 1978 shall be made to the municipal
23 arterial program of the local governments road fund created in
24 Section 67-3-28.2 NMSA 1978 in an amount equal to [~~one and~~
25 ~~forty-four hundredths~~] one and twelve-hundredths percent of the

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1 net receipts attributable to the gasoline tax."

2 SECTION 8. Section 7-1-6.39 NMSA 1978 (being Laws 1995,
3 Chapter 6, Section 9, as amended) is amended to read:

4 "7-1-6.39. DISTRIBUTION OF SPECIAL FUEL EXCISE TAX TO
5 LOCAL GOVERNMENTS ROAD FUND.--A distribution pursuant to
6 Section 7-1-6.1 NMSA 1978 shall be made to the local
7 governments road fund in an amount equal to [~~nine and fifty-~~
8 ~~two~~] seven and sixty-nine hundredths percent of the net
9 receipts attributable to the taxes, exclusive of penalties and
10 interest, from the special fuel excise tax imposed by the
11 Special Fuels Supplier Tax Act."

12 SECTION 9. A new section of the Tax Administration Act is
13 enacted to read:

14 "[NEW MATERIAL] ADDITIONAL DISTRIBUTION OF GASOLINE AND
15 SPECIAL FUELS TAXES TO MUNICIPALITIES AND COUNTIES.--

16 A. A distribution pursuant to Section 7-1-6.1 NMSA
17 1978 shall be made in an amount equal to eleven and thirty-
18 seven hundredths percent of the net receipts attributable to
19 the taxes imposed by the Gasoline Tax Act and nine and sixty-
20 two hundredths percent of the net receipts attributable to the
21 taxes imposed by the Special Fuels Supplier Tax Act. Except as
22 provided in Section 12 of this 2016 act and Subsection C of
23 this section, this distribution shall be paid into a
24 maintenance and repair road fund in the municipal treasury or
25 county road fund for expenditure only for reconstruction,

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1 resurfacing or other improvement or maintenance of existing
2 public roads, streets, alleys or bridges, including
3 right-of-way and materials acquisition.

4 B. The amount determined in Subsection A of this
5 section shall be distributed as follows:

6 (1) ninety percent of the amount shall be paid
7 to the treasurers of municipalities and H class counties in the
8 proportion that the taxable motor fuel sales in each of the
9 municipalities and H class counties bears to the aggregate
10 taxable motor fuel sales in all of these municipalities and H
11 class counties; and

12 (2) ten percent of the amount shall be paid to
13 the treasurers of the counties, including H class counties, in
14 the proportion that the taxable motor fuel sales outside of
15 incorporated municipalities in each of the counties bears to
16 the aggregate taxable motor fuel sales outside of incorporated
17 municipalities in all of the counties.

18 C. The distributions made pursuant to this section
19 may be paid into a separate road fund or the general fund of
20 the municipality or county if the municipality has a population
21 less than three thousand or the county has a population less
22 than four thousand.

23 D. Money from the distribution made pursuant to
24 this section shall not be pledged for the payment of bonds or
25 debentures or expended to pay the principal or interest of

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1 outstanding bonds or debentures," except that portion of a
2 distribution transferred to the Carlsbad brine well remediation
3 fund pursuant to Section 12 of this 2016 act."

4 SECTION 10. A new section of the Tax Administration Act
5 is enacted to read:

6 "[NEW MATERIAL] DISTRIBUTION OF GASOLINE AND SPECIAL FUELS
7 TAXES--STATE ROAD MAINTENANCE FUND.--

8 A. The "state road maintenance fund" is created as
9 a nonreverting fund in the state treasury. No income earned on
10 the fund shall be transferred to another fund.

11 B. A distribution pursuant to Section 7-1-6.1 NMSA
12 1978 shall be made to the state road maintenance fund in an
13 amount equal to:

14 (1) on and after July 1, 2019 and prior to
15 July 1, 2029, five and sixty-nine hundredths percent of the net
16 receipts attributable to the taxes imposed by the Gasoline Tax
17 Act and four and eighty-one hundredths percent of the net
18 receipts attributable to the taxes imposed by the Special Fuels
19 Supplier Tax Act; and

20 (2) on and after July 1, 2029, eleven and
21 thirty-seven hundredths percent of the net receipts
22 attributable to the taxes imposed by the Gasoline Tax Act and
23 nine and sixty-two hundredths percent of the taxes imposed by
24 the Special Fuels Supplier Tax Act.

25 C. The department of transportation shall

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1 administer the fund, and money in the fund is subject to
2 appropriation by the legislature only to the department of
3 transportation for expenditure for reconstruction, resurfacing
4 or other improvement or maintenance of existing public roads,
5 streets, alleys or bridges, including right-of-way and
6 materials acquisition.

7 D. Money in the fund shall not be pledged for the
8 payment of bonds or debentures or expended to pay the principal
9 or interest of outstanding bonds or debentures.

10 E. Money in the fund shall be disbursed on warrants
11 signed by the secretary of finance and administration pursuant
12 to vouchers signed by the secretary of transportation or the
13 secretary's authorized representative."

14 SECTION 11. A new section of the Tax Administration Act
15 is enacted to read:

16 "[NEW MATERIAL] DISTRIBUTION OF GASOLINE AND SPECIAL FUELS
17 TAXES--CARLSBAD BRINE WELL REMEDIATION FUND.--

18 A. The "Carlsbad brine well remediation fund" is
19 created in the state treasury. Interest earned on balances in
20 the fund shall be credited to the fund. Money in the fund
21 shall not revert to the general fund until July 1, 2029.

22 B. On and after July 1, 2019 and prior to July 1,
23 2029, a distribution pursuant to Section 7-1-6.1 NMSA 1978
24 shall be made to the Carlsbad brine well remediation fund in an
25 amount equal to five and seventeen hundredths percent of the

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1 net receipts attributable to the taxes imposed by the Gasoline
2 Tax Act and four and eighty-one hundredths percent of the taxes
3 imposed by the Special Fuels Supplier Tax Act.

4 C. The department of transportation shall
5 administer the fund, and money in the fund is subject to
6 appropriation by the legislature only to the department of
7 transportation for expenditure for remediating the Carlsbad
8 brine well.

9 D. Money in the fund shall be disbursed on warrants
10 signed by the secretary of finance and administration pursuant
11 to vouchers signed by the secretary of transportation or the
12 secretary's authorized representative."

13 SECTION 12. A new section of the Tax Administration Act
14 is enacted to read:

15 "[NEW MATERIAL] TRANSFER--REVENUE FROM ADDITIONAL
16 DISTRIBUTION OF GASOLINE AND SPECIAL FUELS TAXES--CARLSBAD AND
17 EDDY COUNTY.--On and after July 1, 2019 and prior to July 1,
18 2029, the city of Carlsbad and Eddy county shall transfer fifty
19 percent of the distribution the city or county each receives
20 pursuant to Section 9 of this 2016 act to the Carlsbad brine
21 well remediation fund."

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

24 "7-13-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS
25 "GASOLINE TAX".--

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1 A. For the privilege of receiving gasoline in this
2 state, there is imposed an excise tax at a rate provided in
3 Subsection B of this section on each gallon of gasoline
4 received in New Mexico.

5 B. The tax imposed by Subsection A of this section
6 shall be:

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

9 (2) between July 1, 2019 and June 30, 2020,
10 twenty-two cents (\$.22) per gallon received in New Mexico;

11 (3) between July 1, 2020 and June 30, 2021,
12 twenty-three cents (\$.23) per gallon received in New Mexico;

13 (4) between July 1, 2021 and June 30, 2022,
14 twenty-four cents (\$.24) per gallon received in New Mexico;

15 (5) between July 1, 2022 and June 30, 2023,
16 twenty-five cents (\$.25) per gallon received in New Mexico;

17 (6) between July 1, 2023 and June 30, 2024,
18 twenty-six cents (\$.26) per gallon received in New Mexico;

19 (7) between July 1, 2024 and June 30, 2025,
20 twenty-seven cents (\$.27) per gallon received in New Mexico;

21 and

22 (8) on and after July 1, 2025, the rate
23 determined pursuant to Subsection C of this section.

24 C. No later than April 30, 2025 and April 30 of
25 each subsequent year, the department shall calculate the rate

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1 of gasoline tax to be imposed as of July 1 of that year. The
2 rate of the gasoline tax per gallon shall be equal to the
3 product, rounded down to the nearest whole cent, of twenty-
4 seven cents (\$.27) multiplied by a fraction with a numerator
5 equal to the chained price index for the previous calendar year
6 and a denominator equal to the chained price index for calendar
7 year 2023; provided that the rate of the tax should not be less
8 than the rate imposed on July 1 of the previous year.

9 ~~[G-]~~ D. The tax imposed by this section may be
10 called the "gasoline tax".

11 E. As used in this section, "chained price index"
12 means the chained price index for nonresidential construction
13 calculated by the United States bureau of economic analysis."

14 SECTION 14. Section 7-16A-3 NMSA 1978 (being Laws 1992,
15 Chapter 51, Section 3, as amended) is amended to read:

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

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

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

24 (1) on or before June 30, 2019, twenty-one
25 cents (\$.21) per gallon of special fuel received or used in New

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1 Mexico;

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

5 (3) between July 1, 2020 and June 30, 2021,
6 twenty-seven cents (\$.27) per gallon received or used in New
7 Mexico;

8 (4) between July 1, 2021 and June 30, 2022,
9 twenty-eight cents (\$.28) per gallon received or used in New
10 Mexico;

11 (5) between July 1, 2022 and June 30, 2023,
12 twenty-nine cents (\$.29) per gallon received or used in New
13 Mexico;

14 (6) between July 1, 2023 and June 30, 2024,
15 thirty cents (\$.30) per gallon received or used in New Mexico;

16 (7) between July 1, 2024 and June 30, 2025,
17 thirty-one cents (\$.31) per gallon received or used in New
18 Mexico; and

19 (8) on and after July 1, 2025, the rate
20 determined pursuant to Subsection C of this section.

21 C. No later than April 30, 2025 and April 30 of
22 each subsequent year, the department shall calculate the rate
23 of special fuel excise tax to be imposed as of July 1 of that
24 year. The rate of the special fuel excise tax per gallon shall
25 be equal to the product, rounded down to the nearest whole

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1 cent, of thirty-one cents (\$.31) multiplied by a fraction with
2 a numerator equal to the chained price index for the previous
3 calendar year and a denominator equal to the chained price
4 index for calendar year 2023; provided that the rate of the tax
5 shall not be less than the rate imposed on July 1 of the
6 previous year.

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

9 E. As used in this section, "chained price index"
10 means the chained price index for nonresidential construction
11 calculated by the United States bureau of economic analysis."

12 **SECTION 15. APPLICABILITY.**--The distributions pursuant to
13 this act apply to receipts from gasoline and special fuel
14 received on or after July 1, 2019.

15 **SECTION 16. EFFECTIVE DATE.**--The effective date of the
16 provisions of this act is July 1, 2019.