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HOUSE BILL 484

48TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2008

INTRODUCED BY

Ben Lujan

AN ACT

RELATING TO TAXATION; CREATING ANOTHER RATE OF THE GAMING TAX
ON CERTAIN RACETRACKS.

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

Section 1. Section 60-2E-47 NMSA 1978 (being Laws 1997,
Chapter 190, Section 49, as amended) is amended to read:

"60-2E-47. GAMING TAX--IMPOSITION--ADMINISTRATION.--

A. An excise tax is imposed on the privilege of
engaging in gaming activities in the state. This tax shall be
known as the "gaming tax".

B. The gaming tax is an amount equal to:

(1) ten percent of the gross receipts of
manufacturer licensees from the sale, lease or other transfer
of gaming devices in or into the state, except receipts of a
manufacturer from the sale, lease or other transfer to a

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1 licensed distributor for subsequent sale or lease may be
2 excluded from gross receipts;

3 (2) ten percent of the gross receipts of
4 distributor licensees from the sale, lease or other transfer of
5 gaming devices in or into the state;

6 (3) ten percent of the net take of a gaming
7 operator licensee that is a nonprofit organization; [~~and~~]

8 (4) for a gaming operator licensee that is a
9 racetrack, twenty-six percent of the net take, except if the
10 total net take for a racetrack that paid gaming taxes in the
11 preceding calendar year was less than fourteen million dollars
12 (\$14,000,000) in that year, the gaming tax for that racetrack
13 is ten percent until the cumulative net take in the current
14 calendar year exceeds ten million dollars (\$10,000,000);
15 thereafter, for the remainder of the calendar year, the gaming
16 tax is twenty-six percent of the net take; and

17 (5) twenty-six percent of the net take of
18 every other gaming operator licensee.

19 C. For the purposes of this section, "gross
20 receipts" means the total amount of money or the value of other
21 consideration received from selling, leasing or otherwise
22 transferring gaming devices.

23 [~~C.~~] D. The gaming tax imposed on a licensee is in
24 lieu of all state and local gross receipts taxes on that
25 portion of the licensee's gross receipts attributable to gaming

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1 activities.

2 ~~[D-]~~ E. The gaming tax is to be paid on or before
3 the fifteenth day of the month following the month in which the
4 taxable event occurs. The gaming tax shall be administered and
5 collected by the taxation and revenue department in cooperation
6 with the board. The provisions of the Tax Administration Act
7 apply to the collection and administration of the tax.

8 ~~[E-]~~ F. In addition to the gaming tax, a gaming
9 operator licensee that is a racetrack shall pay twenty percent
10 of its net take to purses to be distributed in accordance with
11 rules adopted by the state racing commission. An amount not to
12 exceed twenty percent of the interest earned on the balance of
13 any fund consisting of money for purses distributed by
14 racetrack gaming operator licensees pursuant to this subsection
15 may be expended for the costs of administering the
16 distributions. A racetrack gaming operator licensee shall
17 spend no less than one-fourth percent of the net take of its
18 gaming machines to fund or support programs for the treatment
19 and assistance of compulsive gamblers.

20 ~~[F-]~~ G. A nonprofit gaming operator licensee shall
21 distribute at least sixty percent of the balance of its net
22 take, after payment of the gaming tax and any income taxes,
23 for charitable or educational purposes."

24 Section 2. EFFECTIVE DATE.--The effective date of the
25 provisions of this act is January 1, 2009.

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