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SENATE BILL 10

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SPECIAL SESSION, 2009

INTRODUCED BY

Bernadette M. Sanchez

AN ACT

RELATING TO REVENUE; ADJUSTING THE DISTRIBUTION OF THE LIQUOR
EXCISE TAX; INCREASING THE LIQUOR EXCISE TAX; DECLARING AN
EMERGENCY.

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

Section 1. Section 7-1-6.40 NMSA 1978 (being Laws 1997,
Chapter 182, Section 1, as amended) is amended to read:

"7-1-6.40. DISTRIBUTION--LOCAL DWI GRANT FUND--
MUNICIPALITIES.--

A. A distribution pursuant to Section 7-1-6.1 NMSA
1978 shall be made to the local DWI grant fund in an amount
equal to forty-one and fifty-hundredths percent of the net
receipts attributable to the liquor excise tax not to exceed on
an annual basis the total amount distributed pursuant to this
subsection in fiscal year 2009.

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1 B. A distribution pursuant to Section 7-1-6.1 NMSA
2 1978 of twenty thousand seven hundred fifty dollars (\$20,750)
3 monthly from the net receipts attributable to the liquor excise
4 tax shall be made to a municipality that is located in a class
5 A county and that has a population according to the most recent
6 federal decennial census of more than thirty thousand but less
7 than sixty thousand. The distribution pursuant to this
8 subsection shall be used by the municipality only for the
9 provision of alcohol treatment and rehabilitation services for
10 street inebriates."

11 Section 2. Section 7-17-5 NMSA 1978 (being Laws 1993,
12 Chapter 65, Section 8, as amended) is amended to read:

13 "7-17-5. IMPOSITION AND RATE OF LIQUOR EXCISE TAX.--

14 A. There is imposed on a wholesaler who sells
15 alcoholic beverages on which the tax imposed by this section
16 has not been paid an excise tax, to be referred to as the
17 "liquor excise tax", at the following rates on alcoholic
18 beverages sold:

19 (1) on spirituous liquors, [~~one dollar sixty~~
20 ~~cents (\$1.60)~~] two dollars (\$2.00) per liter;

21 (2) on beer, except as provided in Paragraph
22 (5) of this subsection, [~~forty-one cents (\$.41)~~] ninety-five
23 cents (\$.95) per gallon;

24 (3) on wine, except as provided in Paragraphs
25 (4) and (6) of this subsection, [~~forty-five cents (\$.45)~~]

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1 sixty-five cents (\$.65) per liter;

2 (4) on fortified wine, [~~one dollar fifty cents~~
3 ~~(\$1.50)~~] one dollar ninety cents (\$1.90) per liter;

4 (5) on beer manufactured or produced by a
5 microbrewer and sold in this state, provided that proof is
6 furnished to the department that the beer was manufactured or
7 produced by a microbrewer, [~~eight cents (\$.08)~~] sixty-two cents
8 (\$.62) per gallon;

9 (6) on wine manufactured or produced by a
10 small winegrower and sold in this state, provided that proof is
11 furnished to the department that the wine was manufactured or
12 produced by a small winegrower, [~~ten cents (\$.10)~~] thirty cents
13 (\$.30) per liter on the first eighty thousand liters sold and
14 [~~twenty cents (\$.20)~~] forty cents (\$.40) per liter on all
15 liters sold over eighty thousand liters but less than nine
16 hundred fifty thousand liters; and

17 (7) on cider, forty-one cents (\$.41) per
18 gallon.

19 B. The volume of wine transferred from one
20 winegrower to another winegrower for processing, bottling or
21 storage and subsequent return to the transferor shall be
22 excluded pursuant to Section 7-17-6 NMSA 1978 from the taxable
23 volume of wine of the transferee. Wine transferred from an
24 initial winegrower to a second winegrower remains a tax
25 liability of the transferor, provided that if the wine is

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1 transferred to the transferee for the transferee's use or for
2 resale, the transferee then assumes the liability for the tax
3 due pursuant to this section.

4 C. A transfer of wine from a winegrower to a
5 wholesaler for distribution of the wine transfers the liability
6 for payment of the liquor excise tax to the wholesaler upon the
7 sale of the wine by the wholesaler."

8 Section 3. CONTINGENT EFFECTIVE DATE.--The effective date
9 of the provisions of this act is January 1, 2010; provided that
10 this act is adopted by a two-thirds' vote of each house. If
11 this act is passed by both houses and is passed by less than a
12 two-thirds' vote of either house, the effective date of the
13 provisions of this act shall be February 1, 2010.

14 Section 4. EMERGENCY.--It is necessary for the public
15 peace, health and safety that this act take effect immediately.