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HOUSE BILL 202

**49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010**

INTRODUCED BY

Thomas A. Garcia

AN ACT

RELATING TO TAXATION; PROVIDING AUTHORITY TO IMPOSE THE  
MUNICIPAL ENVIRONMENTAL SERVICES GROSS RECEIPTS TAX ON CERTAIN  
COMMUNITIES AT A MAXIMUM RATE OF ONE PERCENT.

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

Section 1. Section 7-19D-10 NMSA 1978 (being Laws 1990,  
Chapter 99, Section 51, as amended) is amended to read:

"7-19D-10. MUNICIPAL ENVIRONMENTAL SERVICES GROSS  
RECEIPTS TAX--AUTHORITY TO IMPOSE--ORDINANCE REQUIREMENTS.--

A. Except as otherwise provided in this section,  
the majority of the members of the governing body of a  
municipality may enact an ordinance imposing an excise tax on  
any person engaging in business in the municipality for the  
privilege of engaging in business. The rate of the tax shall  
be one-sixteenth of one percent of the gross receipts of the

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1 person engaging in business.

2 B. The tax imposed in accordance with Subsection A  
3 of this section may be referred to as the "municipal  
4 environmental services gross receipts tax". The imposition of  
5 a municipal environmental services gross receipts tax is not  
6 subject to referendum.

7 C. The governing body of a municipality shall, at  
8 the time of enacting an ordinance imposing the rate of the tax  
9 authorized in Subsection A of this section, dedicate the  
10 revenue for acquisition, construction, operation and  
11 maintenance of solid waste facilities, water facilities,  
12 wastewater facilities, sewer systems and related facilities.

13 D. The governing body of a municipality in a class  
14 B county with a net taxable value used for rate-setting  
15 purposes for the 2008 property tax year of greater than seven  
16 hundred fifty million dollars (\$750,000,000) and a population  
17 in the entire county according to the most recent federal  
18 decennial census of less than twenty-five thousand may enact an  
19 ordinance imposing an excise tax on any person engaging in  
20 business in the municipality for the privilege of engaging in  
21 business; provided that:

22 (1) the rate of the tax imposed shall not  
23 exceed one-half of one percent of the gross receipts of the  
24 person engaging in business;

25 (2) the tax is imposed in one-fourth of one

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1 percent increments; and

2 (3) the population of the municipality  
3 imposing the municipal environmental services gross receipts  
4 tax according to the most recent federal decennial census is:

5 (a) more than seven thousand five  
6 hundred but less than seven thousand eight hundred; or

7 (b) more than one thousand five hundred  
8 but less than two thousand.

9 E. The governing body of a municipality in a class  
10 B county with a population according to the most recent federal  
11 decennial census of more than one thousand forty but less than  
12 one thousand fifty may enact an ordinance imposing an excise  
13 tax on any person engaging in business in the municipality for  
14 the privilege of engaging in business; provided that:

15 (1) the rate of the municipal environmental  
16 services gross receipts tax imposed shall not exceed one  
17 percent of the gross receipts of the person engaging in  
18 business;

19 (2) the tax is imposed in one-sixteenth of one  
20 percent increments; and

21 (3) having once qualified to impose the  
22 municipal environmental services gross receipts tax pursuant to  
23 this subsection, a municipality shall remain qualified despite  
24 a change or update in census data."

25 Section 2. EFFECTIVE DATE.--The effective date of the

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1 provisions of this act is July 1, 2010.

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