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HOUSE BILL 25

50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SPECIAL SESSION, 2011

INTRODUCED BY

Ray Begaye

AN ACT

RELATING TO TAXATION; PROVIDING THAT SIXTY PERCENT OF THE REVENUES FROM THE GROSS RECEIPTS TAX ON FIREWORKS BE DISTRIBUTED FOR THE FORESTRY DIVISION OF THE ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT TO CONDUCT PREVENTION PROJECTS IN WILDLANDS OF THE STATE; CREATING A FUND; MAKING AN APPROPRIATION.

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

SECTION 1. A new section of the Tax Administration Act is enacted to read:

"[NEW MATERIAL] DISTRIBUTION--GROSS RECEIPTS AND COMPENSATING TAX ACT--SALES OF FIREWORKS.--A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the wildlands fire prevention fund in an amount equal to sixty percent of the net receipts attributable to the gross receipts

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1 tax less penalties and interest imposed by the Gross Receipts
2 and Compensating Tax Act on the sale of fireworks."

3 SECTION 2. Section 7-9-4 NMSA 1978 (being Laws 1966,
4 Chapter 47, Section 4, as amended) is amended to read:

5 "7-9-4. IMPOSITION AND RATE OF TAX--DENOMINATION AS
6 "GROSS RECEIPTS TAX".--

7 A. For the privilege of engaging in business, an
8 excise tax equal to five and one-eighth percent of gross
9 receipts is imposed on any person engaging in business in New
10 Mexico.

11 B. The tax imposed by this section shall be
12 referred to as the "gross receipts tax".

13 C. Sixty percent of the annual net revenues less
14 penalties and interest derived from the gross receipts tax on
15 fireworks, as defined in the Fireworks Licensing and Safety
16 Act, shall be distributed to the wildlands fire prevention
17 fund."

18 SECTION 3. A new section of the Forest Conservation Act
19 is enacted to read:

20 "[NEW MATERIAL] WILDLANDS FIRE PREVENTION FUND--CREATED.--

21 A. The "wildlands fire prevention fund" is created
22 in the state treasury. The fund shall consist of distributions
23 from sixty percent of the net receipts less penalties and
24 interest collected pursuant to the Gross Receipts and
25 Compensating Tax Act on the sale of fireworks; appropriations,

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1 gifts, grants, donations and bequests made to the fund; and
2 reimbursements of costs incurred by the forestry division for
3 wildlands fire prevention projects. Income from the fund shall
4 be credited to the fund, and money in the fund shall not revert
5 or be transferred to any other fund at the end of a fiscal
6 year. Money in the fund is appropriated to the forestry
7 division for the purposes of wildlands fire prevention
8 projects. Expenditures from the fund shall be made on warrant
9 of the secretary of finance and administration pursuant to
10 vouchers signed by the secretary of energy, minerals and
11 natural resources.

12 B. As used in this section, "wildlands" includes
13 forests, bosques and brush-covered lands."

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