

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

SENATE BILL 19

50TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2012

INTRODUCED BY

Carlos R. Cisneros and Roberto "Bobby" J. Gonzales

FOR THE REVENUE STABILIZATION AND TAX POLICY COMMITTEE

AN ACT

RELATING TO TAXATION; PROVIDING FOR AUTHORITY TO REIMPOSE THE
COUNTY EDUCATION GROSS RECEIPTS TAX; UPDATING CERTAIN
REQUIREMENTS TO REFLECT CURRENT CENSUS DATA.

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

SECTION 1. Section 7-20E-20 NMSA 1978 (being Laws 2001,
Chapter 328, Section 1) is amended to read:

"7-20E-20. COUNTY EDUCATION GROSS RECEIPTS TAX--AUTHORITY
TO IMPOSE--RATE--ELECTION--USE OF REVENUE.--

A. Upon submission of a resolution to the governing
body pursuant to Subsection [E] D of this section, the
governing body of a county shall enact an ordinance imposing or
reimposing an excise tax at a rate of one-half of one percent
on any person engaging in business in the county for the
privilege of engaging in business in the county. The tax

.187702.1

underscoring material = new
~~[bracketed material] = delete~~

underscored material = new
[bracketed material] = delete

1 imposed pursuant to this [~~subsection~~] section may be referred
2 to as the "county education gross receipts tax".

3 B. The governing body, at the time of enacting an
4 ordinance imposing a county education gross receipts tax
5 pursuant to [~~Subsection A of~~] this section shall dedicate the
6 revenue only for the payment of county education gross receipts
7 tax bonds for public school capital projects and off-campus
8 instruction program capital projects, if any, in the county.
9 The tax shall be imposed for the period necessary for payment
10 of the principal and interest on the county education gross
11 receipts tax revenue bonds issued to accomplish the purpose for
12 which the revenue is dedicated, but the period shall not exceed
13 ten years from the effective date of the ordinance imposing the
14 tax.

15 C. The governing body may reimpose a county
16 education gross receipts tax to be effective upon termination
17 of a previously imposed county education gross receipts tax by
18 following the procedures set forth in this section.

19 [~~G.~~] D. Upon a finding of need, the boards of every
20 school district in a county that is either located wholly
21 within the exterior boundaries of the county or that has a
22 student membership no more than ten percent of whom reside
23 outside the exterior boundaries of the county may enter into a
24 joint agreement to submit a resolution to the governing body of
25 the county requiring the governing body to impose a county

.187702.1

underscoring material = new
~~[bracketed material] = delete~~

1 education gross receipts tax and to issue county education
2 gross receipts tax revenue bonds for funding public school
3 capital projects and, if applicable, off-campus instruction
4 program capital projects. The boards must agree to provide at
5 least one-fourth of the bond proceeds for capital projects for
6 an off-campus instruction program, if one of the school
7 districts in the county has established such a program. The
8 remaining revenues shall be distributed proportionately to each
9 school district for public school capital outlay projects based
10 on the ratio that the population of each school district,
11 according to the ~~[2000]~~ 2010 federal decennial census, bears to
12 the population of all of the school districts in the county
13 ~~[who]~~ that are parties to the agreement.

14 ~~[D-]~~ E. An ordinance imposing the county education
15 gross receipts tax shall not go into effect until after an
16 election is held and a majority of the voters in the county
17 voting in the election votes in favor of imposing the tax. The
18 governing body shall adopt a resolution calling for an election
19 within sixty days of the date the ordinance is adopted on the
20 question of imposing the tax. The question shall be submitted
21 to the voters of the county as a separate question at a general
22 election or at a special election called for that purpose by
23 the governing body. A special election shall be called,
24 conducted and canvassed in substantially the same manner as
25 provided by law for general elections. If a majority of the

.187702.1

underscored material = new
[bracketed material] = delete

1 voters voting on the question approves the ordinance imposing
2 the county education gross receipts tax, then the ordinance
3 shall become effective in accordance with the provisions of the
4 County Local Option Gross Receipts Taxes Act. If the question
5 of imposing the county education gross receipts tax fails, a
6 resolution from the boards of school districts in the county
7 may not again be proposed to the governing body requesting
8 imposition of the tax for a period of one year from the date of
9 the election.

10 ~~[E.]~~ F. The proceeds from county education gross
11 receipts tax revenue bonds shall be administered by the
12 governing body and disbursed by the county treasurer to the
13 respective school districts in the amounts and for the purposes
14 authorized in this section and as set out in the resolution
15 submitted by the boards to the governing body.

16 ~~[F.]~~ G. As used in this section:

17 (1) "board" means the governing body of a
18 school district;

19 (2) "capital projects" means the designing,
20 constructing and equipping of new buildings; the remodeling,
21 renovating or making additions to and equipping existing
22 buildings; or the improving or equipping of the grounds
23 surrounding buildings;

24 (3) "county" means:

25 (a) a class B county with a population

underscored material = new
[bracketed material] = delete

1 of less than twenty-five thousand according to the 1990 federal
2 decennial census and a net taxable value for property tax
3 purposes for the 1999 property tax year of more than five
4 hundred million dollars (\$500,000,000);

5 (b) a county that has imposed a local
6 hospital gross receipts tax pursuant to the Local Hospital
7 Gross Receipts Tax Act, which tax will expire on December 31,
8 2001; and

9 ~~[(c) a county in which the question of~~
10 ~~imposing school district general obligation debt for public~~
11 ~~school capital outlay projects has been submitted to the voters~~
12 ~~and has failed to pass at least twice in at least two school~~
13 ~~districts in the county in the six-year period immediately~~
14 ~~prior to imposition of a county education gross receipts tax;~~
15 ~~and]~~

16 (c) a county that has previously imposed
17 a county education gross receipts tax; and

18 (4) "off-campus instruction program" means a
19 program established by a school district pursuant to the Off-
20 Campus Instruction Act."

21 **SECTION 2. EFFECTIVE DATE.**--The effective date of the
22 provisions of this act is July 1, 2012.

23 - 5 -

24
25