

1 SENATE BILL 265

2 **51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013**

3 INTRODUCED BY

4 Phil A. Griego

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10 AN ACT

11 RELATING TO TAXATION; PROVIDING FOR A CREDIT AGAINST THE GAMING
12 TAX TO OFFSET THE EXPENSE OF LIVE HORSE RACES.

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

15 SECTION 1. A new section of the Gaming Control Act is
16 enacted to read:

17 "[NEW MATERIAL] LIVE HORSE RACE GAMING TAX CREDIT.--

18 A. Beginning on July 1, 2014 and prior to July 1,
19 2020, a taxpayer that is a gaming operator licensee that is a
20 racetrack may claim, and the taxation and revenue department
21 may allow, a tax credit in an amount equal to twenty thousand
22 dollars (\$20,000) for each day that a live horse race is
23 conducted at the licensee's premises during a fiscal year;
24 provided that the maximum credit amount shall not exceed fifty
25 percent of the gaming tax liability due from the taxpayer in

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1 the fiscal year.

2 B. The tax credit that may be claimed pursuant to
3 this section may be referred to as the "live horse race gaming
4 tax credit".

5 C. Subject to the provisions of Subsection A of
6 this section, the credit provided for in this section may be
7 claimed on a monthly basis against the gaming tax remitted to
8 the state on a form provided by the taxation and revenue
9 department. The credit claimed each month shall not exceed the
10 lesser of one-twelfth of fifty percent of the gaming tax paid
11 in the prior calendar year or fifty percent of the taxpayer's
12 monthly gaming tax liability pursuant to Section 60-2E-47 NMSA
13 1978. Any additional credit that may be allowed may be claimed
14 in the last month of the fiscal year.

15 D. The purpose of the live horse race gaming tax
16 credit is to offset the expense of each day that live horse
17 racing is conducted at the premises of a gaming operator
18 licensee that is a racetrack and to promote more live horse
19 racing days in New Mexico.

20 E. To be eligible for the live horse race gaming
21 tax credit, a gaming operator licensee that is a racetrack
22 shall conduct at least seventeen days of live horse racing in
23 the current fiscal year for which the credit is being claimed
24 than in the fiscal year immediately prior to the fiscal year in
25 which the credit is being claimed. The state racing commission

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1 shall certify the eligibility of a gaming operator licensee
2 that is a racetrack for purposes of obtaining a live horse race
3 gaming tax credit and shall adopt rules establishing procedures
4 for certification. The state racing commission shall issue a
5 dated certificate of eligibility containing the identifying
6 information of the taxpayer that qualifies for the live horse
7 race gaming tax credit. All certificates of eligibility issued
8 pursuant to this subsection shall be sequentially numbered, and
9 an account of all certificates issued or destroyed shall be
10 maintained by the state racing commission. The taxation and
11 revenue department shall audit the records of the live horse
12 race gaming tax credit maintained by the state racing
13 commission on a periodic basis to ensure effective
14 administration of the tax credit and compliance with the Tax
15 Administration Act and this section.

16 F. To claim a live horse race gaming tax credit,
17 the taxpayer shall provide to the taxation and revenue
18 department the certificate of eligibility issued by the state
19 racing commission pursuant to this section to the taxpayer.

20 G. The taxpayer shall report to the state racing
21 commission the number of live horse racing days conducted in a
22 fiscal year and the increase from a prior fiscal year, the
23 number of New Mexico breed races held and the number of New
24 Mexico-bred horses that raced at the licensee's premises and
25 any other information that the state racing commission requires

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1 to determine the eligibility of the taxpayer and the
2 effectiveness of the live horse race gaming tax credit.

3 H. The state racing commission shall report to the
4 interim revenue stabilization and tax policy committee before
5 November 1 every three years on the effectiveness of the credit
6 beginning in 2016.

7 I. The live horse race gaming tax credit shall be
8 administered by the taxation and revenue department pursuant to
9 the Tax Administration Act."

10 SECTION 2. EFFECTIVE DATE.--The effective date of the
11 provisions of this act is July 1, 2013.