AN ACT

RELATING TO TAXATION; INCREMENTALLY INCREASING AND INDEXING THE GASOLINE TAX AND THE SPECIAL FUEL EXCISE TAX; PROVIDING A DISTRIBUTION TO THE LOCAL GOVERNMENTS ROAD FUND FROM THE GASOLINE TAX AND THE SPECIAL FUEL EXCISE TAX BEGINNING JULY 1, 2019.

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

SECTION 1. Section 7-1-6.39 NMSA 1978 (being Laws 1995, Chapter 6, Section 9, as amended) is amended to read:

"7-1-6.39. DISTRIBUTION OF SPECIAL FUEL EXCISE TAX TO LOCAL GOVERNMENTS ROAD FUND.--A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the local governments road fund in an amount equal to:

A. beginning on July 1, 2019, thirteen and four-tenths percent of the net receipts attributable to the taxes,

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exclusive of penalties and interest, from the gasoline tax

imposed by the Gasoline Tax Act;

B. prior to July 1, 2019, nine and fifty-two

hundredths percent of the net receipts attributable to the

taxes, exclusive of penalties and interest, from the special

fuel excise tax imposed by the Special Fuels Supplier Tax Act;

and

C. beginning on July 1, 2019, nineteen and twenty-

three hundredths percent of the net receipts attributable to

the taxes, exclusive of penalties and interest, from the

special fuel excise tax imposed by the Special Fuels Supplier

Tax Act."

SECTION 2. Section 7-13-3 NMSA 1978 (being Laws 1971,

Chapter 207, Section 3, as amended) is amended to read:

"7-13-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS

"GASOLINE TAX".--

A. For the privilege of receiving gasoline in this

state, there is imposed an excise tax at a rate provided in

Subsection B of this section on each gallon of gasoline

received in New Mexico.

B. The tax imposed by Subsection A of this section

shall be:

(1) on or before June 30, 2019, seventeen

cents ($.17) per gallon received in New Mexico;

(2) between July 1, 2019 and June 30, 2020,

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twenty-two cents ($.22) per gallon received in New Mexico;

(3) between July 1, 2020 and June 30, 2021,

twenty-four cents ($.24) per gallon received in New Mexico;

(4) between July 1, 2021 and June 30, 2022,

twenty-six cents ($.26) per gallon received in New Mexico;

(5) between July 1, 2022 and June 30, 2023,

twenty-eight cents ($.28) per gallon received in New Mexico;

(6) between July 1, 2023 and June 30, 2024,

thirty cents ($.30) per gallon received in New Mexico; and

(7) on and after July 1, 2024, the rate

determined pursuant to Subsection C of this section.

C. No later than April 30, 2024 and April 30 of

each subsequent year, the department shall calculate the rate

of gasoline tax to be imposed as of July 1 of that year. The

rate of the gasoline tax per gallon shall be equal to the

product, rounded down to the nearest whole cent, of thirty

cents ($.30) multiplied by a fraction with a numerator equal to

the chained price index for the previous calendar year and a

denominator equal to the chained price index for calendar year

2022. As used in this subsection, "chained price index" means

the chained price index for nonresidential construction in the

consumer price index.

[C.] D. The tax imposed by this section may be

called the "gasoline tax"."

SECTION 3. Section 7-16A-3 NMSA 1978 (being Laws 1992,

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Chapter 51, Section 3, as amended) is amended to read:

"7-16A-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS SPECIAL FUEL EXCISE TAX.--

A. For the privilege of receiving or using special fuel in this state, there is imposed an excise tax at a rate provided in Subsection B of this section on each gallon of special fuel received in New Mexico.

B. The tax imposed by Subsection A of this section shall be:

(1) on or before June 30, 2019, twenty-one cents ($.21) per gallon of special fuel received or used in New Mexico;

(2) between July 1, 2019 and June 30, 2020, twenty-six cents ($.26) per gallon received in New Mexico;

(3) between July 1, 2020 and June 30, 2021, twenty-eight cents ($.28) per gallon received in New Mexico;

(4) between July 1, 2021 and June 30, 2022, thirty cents ($.30) per gallon received in New Mexico;

(5) between July 1, 2022 and June 30, 2023, thirty-two cents ($.32) per gallon received in New Mexico;

(6) between July 1, 2023 and June 30, 2024, thirty-four cents ($.34) per gallon received in New Mexico; and

(7) on and after July 1, 2024, the rate determined pursuant to Subsection C of this section.

C. No later than April 30, 2024 and April 30 of

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each subsequent year, the department shall calculate the rate

of special fuel excise tax to be imposed as of July 1 of that

year. The rate of the special fuel excise tax per gallon shall

be equal to the product, rounded down to the nearest whole

cent, of thirty-four cents ($.34) multiplied by a fraction with

a numerator equal to the chained price index for the previous

calendar year and a denominator equal to the chained price

index for calendar year 2022. As used in this subsection,

"chained price index" means the chained price index for

nonresidential construction in the consumer price index.

[C.] D. The tax imposed by this section may be

called the "special fuel excise tax"."

SECTION 4. APPLICABILITY.--The distributions pursuant to

Section 1 of this act apply to receipts from the gasoline tax

and the special fuel excise tax that are attributable to sales

that occur on or after July 1, 2014.

SECTION 5. EFFECTIVE DATE.--The effective date of the

provisions of this act is July 1, 2014.

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