

HOUSE BILL 650

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019

INTRODUCED BY

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Pursuant to House Rule 24-1, this document incorporates amendments that have been adopted prior to consideration of this measure by the House. It is a tool to show the amendments in context and is not to be used for the purpose of amendments.

AN ACT

RELATING TO GAMING; HTRC → ~~TEMPORARILY LOWERING THE GAMING TAX~~  
ON ← HTRC HTRC → **CREATING THE CAPITAL IMPROVEMENTS GAMING TAX**  
**CREDIT FOR** ← HTRC CERTAIN GAMING OPERATOR LICENSEES.

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

HTRC → ~~SECTION 1. Section 60-2E-34.1 NMSA 1978 (being Laws 2009, Chapter 199, Section 14) is amended to read:~~

~~"60-2E-34.1. SELF-EXCLUSION FROM GAMING ESTABLISHMENTS--  
PROCEDURE--FINES--CONFIDENTIALITY.--"~~

~~A. The board shall develop rules that permit a~~

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~~person who is a compulsive gambler to be voluntarily excluded from a gaming establishment.~~

~~B. Self-exclusion shall occur through written application made by the compulsive gambler to the board and shall be governed by the following provisions:~~

~~(1) self-exclusion shall be enforceable upon issuance of a self-exclusion order by the board to each applicable gaming establishment identified in the order;~~

~~(2) only the person who is the compulsive gambler may apply on that person's behalf;~~

~~(3) the application shall be submitted to the board;~~

~~(4) except for notification of the gaming establishments for which the self-exclusion order is effective and for notification for mailing list exclusion pursuant to this section, the application and the self-exclusion order shall be held confidential by employees of the board and a gaming operator licensee and its employees and key executives;~~

~~(5) a self-exclusion order may apply to one or more gaming establishments licensed pursuant to the Gaming Control Act;~~

~~(6) a self-excluded person, if present at a gaming establishment from which the person is excluded, shall forfeit the following to that gaming establishment; provided~~

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~~that all money or other property forfeited shall be used by the gaming establishment only to supplement the one-fourth percent of the net take of its gaming machines to fund or support programs for the treatment and assistance of compulsive gamblers pursuant to Subsection [E] F of Section 60-2E-47 NMSA 1978:~~

~~(a) all winnings of the person obtained while present at the gaming establishment; and~~

~~(b) all credits, tokens or vouchers received by the person while present at the gaming establishment;~~

~~(7) a gaming establishment is immune from liability arising out of its efforts to exclude a person identified in a self-exclusion order; and~~

~~(8) a specific term shall be set for each self-exclusion order.~~

~~G. Notice shall be submitted by the board at least monthly to all gaming establishments listing all persons who are currently self-excluded and ordering the removal of their names from direct mail or electronic advertisement or promotional lists.~~

~~D. The state gaming representative may negotiate an agreement with each tribal casino in the state to allow the state to include tribal casinos in the self-exclusion orders."~~

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~~SECTION 2. Section 60-2E-47 NMSA 1978 (being Laws 1997, Chapter 190, Section 49, as amended) is amended to read:~~

~~"60-2E-47. GAMING TAX--IMPOSITION--ADMINISTRATION.--~~

~~A. An excise tax is imposed on the privilege of engaging in gaming activities in the state. This tax shall be known as the "gaming tax".~~

~~B. The gaming tax is an amount equal to:~~

~~(1) ten percent of the gross receipts of manufacturer licensees from the sale, lease or other transfer of gaming devices in or into the state, except receipts of a manufacturer from the sale, lease or other transfer to a licensed distributor for subsequent sale or lease may be excluded from gross receipts;~~

~~(2) ten percent of the gross receipts of distributor licensees from the sale, lease or other transfer of gaming devices in or into the state;~~

~~(3) ten percent of the net take of a gaming operator licensee that is a nonprofit organization; and~~

~~(4) twenty-six percent of the net take of every other gaming operator licensee; provided that from July 1, 2019 through June 30, 2023, the gaming tax shall be ten percent of the net take of every other gaming operator licensee whose net take in the preceding calendar year was no more than twenty million dollars (\$20,000,000).~~

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~~G. For the purposes of this section, "gross receipts" means the total amount of money or the value of other consideration received from selling, leasing or otherwise transferring gaming devices.~~

~~{C.} D. The gaming tax imposed on a licensee is in lieu of all state and local gross receipts taxes on that portion of the licensee's gross receipts attributable to gaming activities.~~

~~{D.} E. The gaming tax is to be paid on or before the fifteenth day of the month following the month in which the taxable event occurs. The gaming tax shall be administered and collected by the taxation and revenue department in cooperation with the board. The provisions of the Tax Administration Act apply to the collection and administration of the tax.~~

~~{E.} F. In addition to the gaming tax, a gaming operator licensee that is a racetrack shall pay twenty percent of its net take to purses to be distributed in accordance with rules adopted by the state racing commission. An amount not to exceed twenty percent of the interest earned on the balance of any fund consisting of money for purses distributed by racetrack gaming operator licensees pursuant to this subsection may be expended for the costs of administering the distributions. A racetrack gaming operator licensee shall spend no less than one-fourth percent of the net take of its~~

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~~gaming machines to fund or support programs for the treatment and assistance of compulsive gamblers.~~

~~[F.] G. A nonprofit gaming operator licensee shall distribute at least sixty percent of the balance of its net take, after payment of the gaming tax and any income taxes, for charitable or educational purposes."~~ ←HTRC

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

"[NEW MATERIAL] CAPITAL IMPROVEMENTS GAMING TAX CREDIT.--

A. From July 1, 2019 through June 30, 2024, a taxpayer that is a gaming operator licensee that is a racetrack may claim, and the taxation and revenue department shall allow, a tax credit in an amount of up to sixty percent of the taxpayer's monthly gaming tax liability pursuant to Section 60-2E-47 NMSA 1978, not to exceed a maximum credit of one million five hundred thousand dollars (\$1,500,000) per fiscal year, if the taxpayer:

(1) had during the taxable period expenditures for capital improvements or for long-term financing of capital improvements at its existing racetrack facility equal to or greater than the tax credit claimed; and

(2) had in the immediately prior calendar year a combined net take and receipts, not including receipts for purses, of under twenty million dollars (\$20,000,000).

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B. The tax credit that may be claimed pursuant to this section may be referred to as the "capital improvements gaming tax credit".

C. A taxpayer shall not claim the capital improvements gaming tax credit if the taxpayer has used the expenditures for capital improvements or for long-term financing of capital improvements for another tax credit or deduction from a tax.

D. The capital improvements gaming tax credit shall be administered by the taxation and revenue department pursuant to the Tax Administration Act.

E. The capital improvements gaming tax credit may be claimed on a monthly basis against the gaming tax remitted to the state on a form provided by the taxation and revenue department."

SECTION 2. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2019.←HTRC