

SENATE BILL 61

56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023

INTRODUCED BY

Bill Tallman

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO TAXATION; DISTRIBUTING A PORTION OF THE LIQUOR
EXCISE TAX TO THE DOMESTIC VIOLENCE VICTIMS FUND STBTC→**AND THE**
SUBSTANCE ABUSE EDUCATION FUND←STBTC ; CREATING THE DOMESTIC
VIOLENCE VICTIMS FUND; CONVERTING THE IMPOSITION OF THE LIQUOR
EXCISE TAX TO A PER CENT, PER SERVING BASIS; STBTC→**AUTHORIZING**
ALL COUNTIES TO IMPOSE A LOCAL LIQUOR EXCISE TAX.←STBTC
STBTC→**INCREASING CERTAIN RATES OF THE LIQUOR EXCISE TAX.**←STBTC

.223374.2AIC February 23, 2023 (11:48am)

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

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

SECTION 1. Section 7-1-6.40 NMSA 1978 (being Laws 1997, Chapter 182, Section 1, as amended) is amended to read:

"7-1-6.40. DISTRIBUTION OF LIQUOR EXCISE TAX--LOCAL DWI GRANT FUND--CERTAIN MUNICIPALITIES--DRUG COURT FUND--DOMESTIC VIOLENCE VICTIMS FUND.--

A. A distribution pursuant to Section 7-1-6.1 NMSA 1978 in an amount equal to forty-five percent of the net receipts attributable to the liquor excise tax shall be made to the local DWI grant fund.

B. A distribution pursuant to Section 7-1-6.1 NMSA 1978 [~~of twenty thousand seven hundred fifty dollars (\$20,750) monthly from~~] in an amount equal to one-half percent of the net receipts attributable to the liquor excise tax shall be made to a municipality that is located in a class A county and that has a population according to the most recent federal decennial census of more than thirty thousand but less than sixty thousand and shall be used by the municipality only for the provision of alcohol treatment and rehabilitation services for street inebriates.

C. [~~Beginning July 1, 2019~~] A distribution pursuant to Section 7-1-6.1 NMSA 1978 in an amount equal to five percent of the net receipts attributable to the liquor excise tax shall be made to the drug court fund.

D. A distribution pursuant to Section 7-1-6.1 NMSA 1978 in an amount equal to STBTC→~~forty-nine and one-half~~←STBTC

.223374.2AIC February 23, 2023 (11:48am)

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

STBTC→twenty-four and three-fourths←STBTC percent of the net receipts attributable to the liquor excise tax shall be made to the domestic violence victims fund. STBTC→"←STBTC

STBTC→E. A distribution pursuant to Section 7-1-6.1 NMSA 1978 in an amount equal to twenty-four and three-fourths percent of the net receipts attributable to the liquor excise tax shall be made to the substance abuse education fund."←STBTC

SECTION 2. Section 7-17-5 NMSA 1978 (being Laws 1993, Chapter 65, Section 8, as amended) is amended to read:

"7-17-5. IMPOSITION AND RATE OF LIQUOR EXCISE TAX.--

A. There is imposed on a wholesaler who sells alcoholic beverages on which the tax imposed by this section has not been paid an excise tax, to be referred to as the "liquor excise tax", at the following rates on alcoholic beverages sold:

(1) on spirituous liquors, except as provided in Paragraph (9) of this subsection, [~~one dollar sixty cents (\$1.60) per liter~~] eight cents (\$.08) per one-and-one-half-ounce serving;

(2) on beer, except as provided in Paragraph (5) of this subsection, [~~forty-one cents (\$.41) per gallon~~] four cents (\$.04) per twelve-ounce serving;

(3) on wine, except as provided in Paragraphs (4) and (6) of this subsection, [~~forty-five cents (\$.45) per liter~~] seven cents (\$.07) per five-ounce serving;

(4) on fortified wine, [~~one dollar fifty cents~~

.223374.2AIC February 23, 2023 (11:48am)

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

~~(\$1.50) per liter]~~ sixteen cents (\$.16) per three-and-one-half-ounce serving;

(5) on beer manufactured or produced by a microbrewer and sold in this state, provided that proof is furnished to the department that the beer was manufactured or produced by a microbrewer, [~~eight cents (\$.08) per gallon on]~~ STBTC→~~one cent (\$.01)~~←STBTC STBTC→**two cents (\$.02)**←STBTC per twelve-ounce serving for the first thirty thousand barrels sold, [~~twenty-eight cents (\$.28) per gallon]~~ three cents (\$.03) per twelve-ounce serving for all barrels sold over thirty thousand barrels but less than sixty thousand barrels and [~~forty-one cents (\$.41)]~~ four cents (\$.04) per twelve-ounce serving per gallon for sixty thousand or more barrels sold;

(6) on wine manufactured or produced by a small winegrower and sold in this state, provided that proof is furnished to the department that the wine was manufactured or produced by a small winegrower:

(a) [~~ten cents (\$.10) per liter on]~~ STBTC→~~two cents (\$.02)~~←STBTC STBTC→**three cents (\$.03)**←STBTC per five-ounce serving for the first eighty thousand liters sold;

(b) [~~twenty cents (\$.20) per liter on]~~ STBTC→~~three cents (\$.03)~~←STBTC STBTC→**four cents (\$.04)**←STBTC per five-ounce serving for each liter sold over eighty thousand liters but not over nine hundred fifty thousand liters; and

(c) [~~thirty cents (\$.30) per liter on]~~

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

STBTC→~~five cents (\$.05)~~←STBTC STBTC→seven cents (\$.07)←STBTC
per five-ounce serving for each liter sold over nine hundred
fifty thousand liters but not over one million five hundred
thousand liters;

(7) on cider, except as provided in Paragraph
(8) of this subsection, [~~forty-one cents (\$.41) per gallon~~]
four cents (\$.04) per twelve-ounce serving;

(8) on cider manufactured or produced by a
small winegrower and sold in this state, provided that proof is
furnished to the department that the cider was manufactured or
produced by a small winegrower, [~~eight cents (\$.08) per gallon~~
~~on~~] one cent (\$.01) per twelve-ounce serving for the first
thirty thousand barrels sold, [~~twenty-eight cents (\$.28) per
gallon~~] three cents (\$.03) per twelve-ounce serving for all
barrels sold over thirty thousand barrels but less than sixty
thousand barrels and [~~forty-one cents (\$.41) per gallon~~] four
cents (\$.04) per twelve-ounce serving for sixty thousand or
more barrels sold; and

(9) on spirituous liquors manufactured or
produced by a craft distiller licensed pursuant to Section
60-6A-6.1 NMSA 1978, provided that proof is provided to the
department that the spirituous liquors were manufactured or
produced by a craft distiller, for products up to ten percent
alcohol by volume, [~~eight cents (\$.08) per liter~~] STBTC→~~one
cent (\$.01)~~←STBTC STBTC→two cents (\$.02)←STBTC per one-and-
one-half-ounce serving for the first two hundred fifty thousand

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

liters sold and [~~twenty-eight cents (\$.28) per liter~~] STBTC→~~two cents (\$.02)~~←STBTC STBTC→**four cents (\$.04)**←STBTC per one-and-one-half-ounce serving for the next two hundred fifty thousand liters sold and for products over ten percent alcohol by volume, [~~thirty-two cents (\$.32) per liter on~~] STBTC→~~two cents (\$.02)~~←STBTC STBTC→**four cents (\$.04)**←STBTC per one-and-one-half-ounce serving for the first one hundred seventy-five thousand liters sold and [~~sixty-five cents (\$.65) per liter on~~] STBTC→~~three cents (\$.03)~~←STBTC STBTC→**six cents (\$.06)**←STBTC per one-and-one-half-ounce serving for the next two hundred thousand liters sold.

B. The volume of wine transferred from one winegrower to another winegrower for processing, bottling or storage and subsequent return to the transferor shall be excluded pursuant to Section 7-17-6 NMSA 1978 from the taxable volume of wine of the transferee. Wine transferred from an initial winegrower to a second winegrower remains a tax liability of the transferor, provided that if the wine is transferred to the transferee for the transferee's use or for resale, the transferee then assumes the liability for the tax due pursuant to this section.

C. A transfer of wine from a winegrower to a wholesaler for distribution of the wine transfers the liability for payment of the liquor excise tax to the wholesaler upon the sale of the wine by the wholesaler."

SECTION 3. [NEW MATERIAL] DOMESTIC VIOLENCE VICTIMS

.223374.2AIC February 23, 2023 (11:48am)

underscoring material = new
[bracketed material] = delete
Amendments: new = → bold, blue, highlight ←
delete = → bold, red, highlight, strikethrough ←

FUND.--The "domestic violence victims fund" is created as a reverting fund in the state treasury. The fund consists of appropriations, donations, interest from investment of the fund and other money transferred or distributed to the fund. The fund shall be administered by the human services department, and money in the fund is subject to appropriation by the legislature for purposes of contracting with organizations to provide assistance services to victims of domestic violence and their family members, including pets. Disbursements from the fund shall be made by warrant of the secretary of finance and administration pursuant to vouchers signed by the secretary of human services or the secretary's designee. Any unexpended or unencumbered balance remaining in the fund at the end of a fiscal year shall revert to the general fund."

SECTION 4. Section 7-24-9 NMSA 1978 (being Laws 1989, Chapter 326, Section 2) is amended to read:

"7-24-9. DEFINITIONS.--As used in the Local Liquor Excise Tax Act:

A. "alcoholic beverages" means distilled or rectified spirits, potable alcohol, brandy, whiskey, rum, gin and aromatic bitters or any similar alcoholic beverage, including blended or fermented beverages, dilutions or mixtures of one or more of the foregoing containing more than one-half [of one] percent alcohol, but excluding medicinal bitters;

~~B. "county" means a class B county having a population of more than fifty-six thousand but less than~~

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

~~seventy-five thousand, according to the most recent federal decennial census or any subsequent decennial census, and having a net taxable value for rate-setting purposes for the 1988 or any subsequent property tax year of more than five hundred million dollars (\$500,000,000) but less than seven hundred million dollars (\$700,000,000);~~

~~G.]~~ B. "department" means the taxation and revenue department, the secretary of taxation and revenue or any employee of the department exercising authority lawfully delegated to that employee by the secretary;

~~D.]~~ C. "governing body" means the board of county commissioners of a county;

~~E.]~~ D. "person" means any individual, estate, trust, receiver, cooperative association, club, corporation, company, firm, partnership, joint venture, syndicate or other association; "person" also means, to the extent permitted by law, any federal, state or other governmental unit or subdivision or agency, department or instrumentality thereof;

~~F.]~~ E. "price" means the total amount of money or the reasonable value of other consideration or both paid for alcoholic beverages, inclusive of the amount of any tax paid pursuant to the Liquor Excise Tax Act; and

~~G.]~~ F. "retailer" means any person having a place of business within the county who sells, offers for sale or possesses for the purpose of selling alcoholic beverages within the county."

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

provisions of this act is July 1, 2023.

- 9 -

underscoring material = new
[bracketed material] = delete
Amendments: new = bold, blue, highlight
delete = bold, red, highlight, strikethrough