

BILL

**51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014**

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO TAXATION; ADJUSTING HOLD HARMLESS DISTRIBUTIONS TO  
MUNICIPALITIES AND COUNTIES.

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

SECTION 1. Section 7-1-6.46 NMSA 1978 (being Laws 2004,  
Chapter 116, Section 1, as amended) is amended to read:

"7-1-6.46. DISTRIBUTION TO MUNICIPALITIES--OFFSET FOR  
FOOD DEDUCTION AND HEALTH CARE PRACTITIONER SERVICES  
DEDUCTION.--

A. For a municipality [~~that has not elected to~~  
~~impose a municipal hold harmless gross receipts tax through an~~  
~~ordinance and~~] that has a population of less than ten thousand  
according to the most recent federal decennial census and that  
does not have in effect a municipal hold harmless gross  
receipts tax, a distribution pursuant to Section 7-1-6.1 NMSA

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underscored material = new  
[bracketed material] = delete

1 1978 shall be made to [a] the municipality in an amount,  
2 subject to any increase or decrease made pursuant to Section  
3 7-1-6.15 NMSA 1978, equal to the [~~sum of:~~

4 ~~(1) the total deductions claimed pursuant to~~  
5 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~  
6 ~~business locations attributable to the municipality multiplied~~  
7 ~~by the sum of the combined rate of all municipal local option~~  
8 ~~gross receipts taxes in effect in the municipality for the~~  
9 ~~month plus one and two hundred twenty-five thousandths percent;~~  
10 and

11 ~~(2) the total deductions claimed pursuant to~~  
12 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~  
13 ~~business locations attributable to the municipality multiplied~~  
14 ~~by the sum of the combined rate of all municipal local option~~  
15 ~~gross receipts taxes in effect in the municipality for the~~  
16 ~~month plus one and two hundred twenty-five thousandths percent]~~  
17 applicable maximum distribution for the municipality.

18 B. For a municipality [~~not described in Subsection~~  
19 ~~A of this section~~] that has a population of ten thousand or  
20 more according to the most recent federal decennial census, a  
21 distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be  
22 made to the municipality in an amount, subject to any increase  
23 or decrease made pursuant to Section 7-1-6.15 NMSA 1978 and  
24 Subsection C of this section, equal to the [~~sum of:~~

25 ~~(1) the total deductions claimed pursuant to~~

1 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~  
2 ~~business locations attributable to the municipality multiplied~~  
3 ~~by the sum of the combined rate of all municipal local option~~  
4 ~~gross receipts taxes in effect in the municipality on January~~  
5 ~~1, 2007 plus one and two hundred twenty-five thousandths~~  
6 ~~percent in the following percentages:~~

7 ~~(a) prior to July 1, 2015, one hundred~~  
8 ~~percent;~~

9 ~~(b) on or after July 1, 2015 and prior~~  
10 ~~to July 1, 2016, ninety-four percent;~~

11 ~~(c) on or after July 1, 2016 and prior~~  
12 ~~to July 1, 2017, eighty-eight percent;~~

13 ~~(d) on or after July 1, 2017 and prior~~  
14 ~~to July 1, 2018, eighty-two percent;~~

15 ~~(e) on or after July 1, 2018 and prior~~  
16 ~~to July 1, 2019, seventy-six percent;~~

17 ~~(f) on or after July 1, 2019 and prior~~  
18 ~~to July 1, 2020, seventy percent;~~

19 ~~(g) on or after July 1, 2020 and prior~~  
20 ~~to July 1, 2021, sixty-three percent;~~

21 ~~(h) on or after July 1, 2021 and prior~~  
22 ~~to July 1, 2022, fifty-six percent;~~

23 ~~(i) on or after July 1, 2022 and prior~~  
24 ~~to July 1, 2023, forty-nine percent;~~

25 ~~(j) on or after July 1, 2023 and prior~~

1 ~~to July 1, 2024, forty-two percent;~~

2 ~~(k) on or after July 1, 2024 and prior~~  
3 ~~to July 1, 2025, thirty-five percent;~~

4 ~~(l) on or after July 1, 2025 and prior~~  
5 ~~to July 1, 2026, twenty-eight percent;~~

6 ~~(m) on or after July 1, 2026 and prior~~  
7 ~~to July 1, 2027, twenty-one percent;~~

8 ~~(n) on or after July 1, 2027 and prior~~  
9 ~~to July 1, 2028, fourteen percent; and~~

10 ~~(o) on or after July 1, 2028 and prior~~  
11 ~~to July 1, 2029, seven percent; and~~

12 ~~(2) the total deductions claimed pursuant to~~  
13 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~  
14 ~~business locations attributable to the municipality multiplied~~  
15 ~~by the sum of the combined rate of all municipal local option~~  
16 ~~gross receipts taxes in effect in the municipality on January~~  
17 ~~1, 2007 plus one and two hundred twenty-five thousandths~~  
18 ~~percent in] applicable maximum distribution for the~~  
19 ~~municipality multiplied by the following percentages:~~

20 ~~[(a)]~~ (1) prior to July 1, 2015, one hundred  
21 percent;

22 ~~[(b)]~~ (2) on or after July 1, 2015 and prior  
23 to July 1, 2016, ninety-four percent;

24 ~~[(c)]~~ (3) on or after July 1, 2016 and prior  
25 to July 1, 2017, eighty-eight percent;

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1                   [~~(d)~~] (4) on or after July 1, 2017 and prior  
2 to July 1, 2018, eighty-two percent;  
3                   [~~(e)~~] (5) on or after July 1, 2018 and prior  
4 to July 1, 2019, seventy-six percent;  
5                   [~~(f)~~] (6) on or after July 1, 2019 and prior  
6 to July 1, 2020, seventy percent;  
7                   [~~(g)~~] (7) on or after July 1, 2020 and prior  
8 to July 1, 2021, sixty-three percent;  
9                   [~~(h)~~] (8) on or after July 1, 2021 and prior  
10 to July 1, 2022, fifty-six percent;  
11                  [~~(i)~~] (9) on or after July 1, 2022 and prior  
12 to July 1, 2023, forty-nine percent;  
13                  [~~(j)~~] (10) on or after July 1, 2023 and prior  
14 to July 1, 2024, forty-two percent;  
15                  [~~(k)~~] (11) on or after July 1, 2024 and prior  
16 to July 1, 2025, thirty-five percent;  
17                  [~~(l)~~] (12) on or after July 1, 2025 and prior  
18 to July 1, 2026, twenty-eight percent;  
19                  [~~(m)~~] (13) on or after July 1, 2026 and prior  
20 to July 1, 2027, twenty-one percent;  
21                  [~~(n)~~] (14) on or after July 1, 2027 and prior  
22 to July 1, 2028, fourteen percent; and  
23                  [~~(o)~~] (15) on or after July 1, 2028 and prior  
24 to July 1, 2029, seven percent.

25                  C. A distribution pursuant to Subsection B of this

1 section for a municipality that has a population of ten  
2 thousand or more according to the most recent federal decennial  
3 census and that has in effect a municipal hold harmless gross  
4 receipts tax at a rate of three-eighths percent and whose  
5 maximum distribution amount exceeds the sum of the  
6 municipality's tax revenue and the distribution calculated  
7 pursuant to Subsection B of this section shall be increased by  
8 the difference between the maximum distribution and the sum.

9 [G.—The] D. A distribution pursuant to  
10 [Subsections A and B of] this section is in lieu of revenue  
11 that would have been received by the municipality but for the  
12 deductions provided by Sections 7-9-92 and 7-9-93 NMSA 1978.  
13 The distribution shall be considered gross receipts tax revenue  
14 and shall be used by the municipality in the same manner as  
15 gross receipts tax revenue, including payment of gross receipts  
16 tax revenue bonds. ~~[A distribution pursuant to this section to~~  
17 ~~a municipality not described in Subsection A of this to a~~  
18 ~~municipality that has imposed a gross receipts tax through an~~  
19 ~~ordinance that does not provide a deduction contained in the~~  
20 ~~Gross Receipts and Compensating Tax Act shall not be made on or~~  
21 ~~after July 1, 2029.~~

22 D.] E. If the reductions made by this [2013] 2014  
23 act to the distributions made pursuant to [Subsections A and B  
24 of] this section impair the ability of a municipality to meet  
25 its principal or interest payment obligations for revenue bonds

1 that are outstanding prior to July 1, 2013 and that are secured  
2 by the pledge of all or part of the municipality's revenue from  
3 the distribution made pursuant to this section, then the amount  
4 distributed pursuant to this section to that municipality shall  
5 be increased by an amount sufficient to meet the required  
6 payment; provided that the total amount distributed to that  
7 municipality pursuant to this section does not exceed the  
8 amount that would have been due that municipality pursuant to  
9 this section as it was in effect on June 30, 2013.

10 ~~[E.]~~ F. For the purposes of this section:

11 (1) "business locations attributable to the  
12 municipality" means business locations:

13 ~~[(1)]~~ (a) within the municipality;

14 ~~[(2)]~~ (b) on land owned by the state,  
15 commonly known as the "state fairgrounds", within the exterior  
16 boundaries of the municipality;

17 ~~[(3)]~~ (c) outside the boundaries of the  
18 municipality on land owned by the municipality; and

19 ~~[(4)]~~ (d) on an Indian reservation or  
20 pueblo grant in an area that is contiguous to the municipality  
21 and in which the municipality performs services pursuant to a  
22 contract between the municipality and the Indian tribe or  
23 Indian pueblo if: ~~[(a)]~~ 1) the contract describes an area in  
24 which the municipality is required to perform services and  
25 requires the municipality to perform services that are

1 substantially the same as the services the municipality  
2 performs for itself; and ~~[(b)]~~ 2) the governing body of the  
3 municipality has submitted a copy of the contract to the  
4 secretary;

5 (2) "maximum distribution" means:

6 (a) for a municipality that has a  
7 population of less than ten thousand according to the most  
8 recent federal decennial census, the total deductions claimed  
9 pursuant to Sections 7-9-92 and 7-9-93 NMSA 1978 for the month  
10 by taxpayers from business locations attributable to the  
11 municipality multiplied by the sum of the combined rate of all  
12 municipal local option gross receipts taxes in effect in the  
13 municipality for the month plus one and two hundred twenty-five  
14 thousandths percent; and

15 (b) for a municipality that has a  
16 population of ten thousand or more according to the most recent  
17 federal decennial census, the total deductions claimed pursuant  
18 to Sections 7-9-92 and 7-9-93 NMSA 1978 for the month by  
19 taxpayers from business locations attributable to the  
20 municipality multiplied by the sum of the combined rate of all  
21 municipal local option gross receipts taxes in effect in the  
22 municipality on January 1, 2007 plus one and two hundred  
23 twenty-five thousandths percent; and

24 (3) "tax revenue" means the net receipts  
25 attributable to a municipal hold harmless gross receipts tax.



1           [F-] G. A distribution pursuant to this section may  
2 be adjusted for a distribution made to a tax increment  
3 development district with respect to a portion of a gross  
4 receipts tax increment dedicated by a municipality pursuant to  
5 the Tax Increment for Development Act."

6           **SECTION 2.** Section 7-1-6.47 NMSA 1978 (being Laws 2004,  
7 Chapter 116, Section 2, as amended) is amended to read:

8           "7-1-6.47. DISTRIBUTION TO COUNTIES--OFFSET FOR FOOD  
9 DEDUCTION AND HEALTH CARE PRACTITIONER SERVICES DEDUCTION.--

10           A. For a county [~~that has not elected to impose a~~  
11 ~~county hold harmless gross receipts tax through an ordinance~~  
12 ~~and~~] that has a population of less than forty-eight thousand  
13 according to the most recent federal decennial census and that  
14 does not have in effect a county hold harmless gross receipts  
15 tax, a distribution pursuant to Section 7-1-6.1 NMSA 1978 shall  
16 be made to a county in an amount, subject to any increase or  
17 decrease made pursuant to Section 7-1-6.15 NMSA 1978, equal to  
18 the [~~sum of:~~

19                   ~~(1) the total deductions claimed pursuant to~~  
20 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~  
21 ~~business locations within a municipality in the county~~  
22 ~~multiplied by the combined rate of all county local option~~  
23 ~~gross receipts taxes in effect for the month that are imposed~~  
24 ~~throughout the county;~~

25                   ~~(2) the total deductions claimed pursuant to~~

1 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~  
2 ~~business locations in the county but not within a municipality~~  
3 ~~multiplied by the combined rate of all county local option~~  
4 ~~gross receipts taxes in effect for the month that are imposed~~  
5 ~~in the county area not within a municipality;~~

6 ~~(3) the total deductions claimed pursuant to~~  
7 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~  
8 ~~business locations within a municipality in the county~~  
9 ~~multiplied by the combined rate of all county local option~~  
10 ~~gross receipts taxes in effect for the month that are imposed~~  
11 ~~throughout the county; and~~

12 ~~(4) the total deductions claimed pursuant to~~  
13 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~  
14 ~~business locations in the county but not within a municipality~~  
15 ~~multiplied by the combined rate of all county local option~~  
16 ~~gross receipts taxes in effect for the month that are imposed~~  
17 ~~in the county area not within a municipality applicable maximum~~  
18 ~~distribution for the county] applicable maximum distribution~~  
19 ~~for the county.~~

20 B. For a county ~~[not described in Subsection A of~~  
21 ~~this section]~~ that has a population of forty-eight thousand or  
22 more according to the most recent federal decennial census, a  
23 distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be  
24 made to the county in an amount, subject to any increase or  
25 decrease made pursuant to Section 7-1-6.15 NMSA 1978 and

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1 Subsection C of this section, equal to the [~~sum of:~~

2 ~~(1) the total deductions claimed pursuant to~~  
3 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~  
4 ~~business locations within a municipality in the county~~  
5 ~~multiplied by the combined rate of all county local option~~  
6 ~~gross receipts taxes in effect on January 1, 2007 that are~~  
7 ~~imposed throughout the county in the following percentages:~~

8 ~~(a) prior to July 1, 2015, one hundred~~  
9 ~~percent;~~

10 ~~(b) on or after July 1, 2015 and prior~~  
11 ~~to July 1, 2016, ninety-four percent;~~

12 ~~(c) on or after July 1, 2016 and prior~~  
13 ~~to July 1, 2017, eighty-eight percent;~~

14 ~~(d) on or after July 1, 2017 and prior~~  
15 ~~to July 1, 2018, eighty-two percent;~~

16 ~~(e) on or after July 1, 2018 and prior~~  
17 ~~to July 1, 2019, seventy-six percent;~~

18 ~~(f) on or after July 1, 2019 and prior~~  
19 ~~to July 1, 2020, seventy percent;~~

20 ~~(g) on or after July 1, 2020 and prior~~  
21 ~~to July 1, 2021, sixty-three percent;~~

22 ~~(h) on or after July 1, 2021 and prior~~  
23 ~~to July 1, 2022, fifty-six percent;~~

24 ~~(i) on or after July 1, 2022 and prior~~  
25 ~~to July 1, 2023, forty-nine percent;~~

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1 ~~(j) on or after July 1, 2023 and prior~~  
2 ~~to July 1, 2024, forty-two percent;~~

3 ~~(k) on or after July 1, 2024 and prior~~  
4 ~~to July 1, 2025, thirty-five percent;~~

5 ~~(l) on or after July 1, 2025 and prior~~  
6 ~~to July 1, 2026, twenty-eight percent;~~

7 ~~(m) on or after July 1, 2026 and prior~~  
8 ~~to July 1, 2027, twenty-one percent;~~

9 ~~(n) on or after July 1, 2027 and prior~~  
10 ~~to July 1, 2028, fourteen percent; and~~

11 ~~(o) on or after July 1, 2028 and prior~~  
12 ~~to July 1, 2029, seven percent;~~

13 ~~(2) the total deductions claimed pursuant to~~  
14 ~~Section 7-9-92 NMSA 1978 for the month by taxpayers from~~  
15 ~~business locations in the county but not within a municipality~~  
16 ~~multiplied by the combined rate of all county local option~~  
17 ~~gross receipts taxes in effect on January 1, 2007 that are~~  
18 ~~imposed in the county area not within a municipality in the~~  
19 ~~following percentages:~~

20 ~~(a) prior to July 1, 2015, one hundred~~  
21 ~~percent;~~

22 ~~(b) on or after July 1, 2015 and prior~~  
23 ~~to July 1, 2016, ninety-four percent;~~

24 ~~(c) on or after July 1, 2016 and prior~~  
25 ~~to July 1, 2017, eighty-eight percent;~~

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1                   ~~(d) on or after July 1, 2017 and prior~~  
2 ~~to July 1, 2018, eighty-two percent;~~  
3                   ~~(e) on or after July 1, 2018 and prior~~  
4 ~~to July 1, 2019, seventy-six percent;~~  
5                   ~~(f) on or after July 1, 2019 and prior~~  
6 ~~to July 1, 2020, seventy percent;~~  
7                   ~~(g) on or after July 1, 2020 and prior~~  
8 ~~to July 1, 2021, sixty-three percent;~~  
9                   ~~(h) on or after July 1, 2021 and prior~~  
10 ~~to July 1, 2022, fifty-six percent;~~  
11                   ~~(i) on or after July 1, 2022 and prior~~  
12 ~~to July 1, 2023, forty-nine percent;~~  
13                   ~~(j) on or after July 1, 2023 and prior~~  
14 ~~to July 1, 2024, forty-two percent;~~  
15                   ~~(k) on or after July 1, 2024 and prior~~  
16 ~~to July 1, 2025, thirty-five percent;~~  
17                   ~~(l) on or after July 1, 2025 and prior~~  
18 ~~to July 1, 2026, twenty-eight percent;~~  
19                   ~~(m) on or after July 1, 2026 and prior~~  
20 ~~to July 1, 2027, twenty-one percent;~~  
21                   ~~(n) on or after July 1, 2027 and prior~~  
22 ~~to July 1, 2028, fourteen percent; and~~  
23                   ~~(o) on or after July 1, 2028 and prior~~  
24 ~~to July 1, 2029, seven percent;~~  
25                   ~~(3) the total deductions claimed pursuant to~~

1 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~  
2 ~~business locations within a municipality in the county~~  
3 ~~multiplied by the combined rate of all county local option~~  
4 ~~gross receipts taxes in effect on January 1, 2007 that are~~  
5 ~~imposed throughout the county in the following percentages:~~  
6 ~~(a) prior to July 1, 2015, one hundred~~  
7 ~~percent;~~  
8 ~~(b) on or after July 1, 2015 and prior~~  
9 ~~to July 1, 2016, ninety-four percent;~~  
10 ~~(c) on or after July 1, 2016 and prior~~  
11 ~~to July 1, 2017, eighty-eight percent;~~  
12 ~~(d) on or after July 1, 2017 and prior~~  
13 ~~to July 1, 2018, eighty-two percent;~~  
14 ~~(e) on or after July 1, 2018 and prior~~  
15 ~~to July 1, 2019, seventy-six percent;~~  
16 ~~(f) on or after July 1, 2019 and prior~~  
17 ~~to July 1, 2020, seventy percent;~~  
18 ~~(g) on or after July 1, 2020 and prior~~  
19 ~~to July 1, 2021, sixty-three percent;~~  
20 ~~(h) on or after July 1, 2021 and prior~~  
21 ~~to July 1, 2022, fifty-six percent;~~  
22 ~~(i) on or after July 1, 2022 and prior~~  
23 ~~to July 1, 2023, forty-nine percent;~~  
24 ~~(j) on or after July 1, 2023 and prior~~  
25 ~~to July 1, 2024, forty-two percent;~~

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1 ~~(k) on or after July 1, 2024 and prior~~  
2 ~~to July 1, 2025, thirty-five percent;~~

3 ~~(l) on or after July 1, 2025 and prior~~  
4 ~~to July 1, 2026, twenty-eight percent;~~

5 ~~(m) on or after July 1, 2026 and prior~~  
6 ~~to July 1, 2027, twenty-one percent;~~

7 ~~(n) on or after July 1, 2027 and prior~~  
8 ~~to July 1, 2028, fourteen percent; and~~

9 ~~(o) on or after July 1, 2028 and prior~~  
10 ~~to July 1, 2029, seven percent; and~~

11 ~~(4) the total deductions claimed pursuant to~~  
12 ~~Section 7-9-93 NMSA 1978 for the month by taxpayers from~~  
13 ~~business locations in the county but not within a municipality~~  
14 ~~multiplied by the combined rate of all county local option~~  
15 ~~gross receipts taxes in effect on January 1, 2007 that are~~  
16 ~~imposed in the county area not within a municipality in the~~  
17 ~~following percentages] applicable maximum distribution for the~~  
18 ~~county multiplied by:~~

19 ~~[(a)]~~ (1) prior to July 1, 2015, one hundred  
20 percent;

21 ~~[(b)]~~ (2) on or after July 1, 2015 and prior  
22 to July 1, 2016, ninety-four percent;

23 ~~[(c)]~~ (3) on or after July 1, 2016 and prior  
24 to July 1, 2017, eighty-eight percent;

25 ~~[(d)]~~ (4) on or after July 1, 2017 and prior

1 to July 1, 2018, eighty-two percent;  
2 ~~[(e)]~~ (5) on or after July 1, 2018 and prior  
3 to July 1, 2019, seventy-six percent;  
4 ~~[(f)]~~ (6) on or after July 1, 2019 and prior  
5 to July 1, 2020, seventy percent;  
6 ~~[(g)]~~ (7) on or after July 1, 2020 and prior  
7 to July 1, 2021, sixty-three percent;  
8 ~~[(h)]~~ (8) on or after July 1, 2021 and prior  
9 to July 1, 2022, fifty-six percent;  
10 ~~[(i)]~~ (9) on or after July 1, 2022 and prior  
11 to July 1, 2023, forty-nine percent;  
12 ~~[(j)]~~ (10) on or after July 1, 2023 and prior  
13 to July 1, 2024, forty-two percent;  
14 ~~[(k)]~~ (11) on or after July 1, 2024 and prior  
15 to July 1, 2025, thirty-five percent;  
16 ~~[(l)]~~ (12) on or after July 1, 2025 and prior  
17 to July 1, 2026, twenty-eight percent;  
18 ~~[(m)]~~ (13) on or after July 1, 2026 and prior  
19 to July 1, 2027, twenty-one percent;  
20 ~~[(n)]~~ (14) on or after July 1, 2027 and prior  
21 to July 1, 2028, fourteen percent; and  
22 ~~[(o)]~~ (15) on or after July 1, 2028 and prior  
23 to July 1, 2029, seven percent.

24 C. A distribution pursuant to Subsection B of this  
25 section for a county with a population of forty-eight thousand



1 or more according to the most recent federal decennial census  
2 and that has in effect a county hold harmless gross receipts  
3 tax at a rate of three-eighths percent and whose maximum  
4 distribution amount exceeds the sum of the county's tax revenue  
5 and the distribution calculated pursuant to Subsection B of  
6 this section shall be increased by the difference between the  
7 maximum distribution and the sum.

8 [G.—The] D. A distribution pursuant to  
9 [Subsections A and B of] this section is in lieu of revenue  
10 that would have been received by the county but for the  
11 deductions provided by Sections 7-9-92 and 7-9-93 NMSA 1978.  
12 The distribution shall be considered gross receipts tax revenue  
13 and shall be used by the county in the same manner as gross  
14 receipts tax revenue, including payment of gross receipts tax  
15 revenue bonds. [A distribution pursuant to this section to a  
16 county not described in Subsection A of this section or to a  
17 county that has imposed a gross receipts tax through an  
18 ordinance that does not provide a deduction contained in the  
19 Gross Receipts and Compensating Tax Act shall not be made on or  
20 after July 1, 2029.]

21 D.] E. If the reductions made by this [2013] 2014  
22 act to the distributions made pursuant to [Subsections A and B  
23 of] this section impair the ability of a county to meet its  
24 principal or interest payment obligations for revenue bonds  
25 that are outstanding prior to July 1, 2013 and that are secured

1 by the pledge of all or part of the county's revenue from the  
2 distribution made pursuant to this section, then the amount  
3 distributed pursuant to this section to that county shall be  
4 increased by an amount sufficient to meet the required payment;  
5 provided that the total amount distributed to that county  
6 pursuant to this section does not exceed the amount that would  
7 have been due that county pursuant to this section as it was in  
8 effect on June 30, 2013.

9 ~~[E.]~~ F. A distribution pursuant to this section may  
10 be adjusted for a distribution made to a tax increment  
11 development district with respect to a portion of a gross  
12 receipts tax increment dedicated by a county pursuant to the  
13 Tax Increment for Development Act.

14 G. For purposes of this section:

15 (1) "maximum distribution" means:

16 (a) for counties that have a population  
17 of less than forty-eight thousand according to the most recent  
18 federal decennial census, the sum of: 1) the total deductions  
19 claimed pursuant to Sections 7-9-92 and 7-9-93 NMSA 1978 for  
20 the month by taxpayers from business locations within a  
21 municipality in the county multiplied by the combined rate of  
22 all county local option gross receipts taxes in effect for the  
23 month that are imposed throughout the county; and 2) the total  
24 deductions claimed pursuant to Sections 7-9-92 and 7-9-93 NMSA  
25 1978 for the month by taxpayers from business locations in the

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1 county but not within a municipality multiplied by the combined  
2 rate of all county local option gross receipts taxes in effect  
3 for the month that are imposed in the county area not within a  
4 municipality; and

5 (b) for counties that have a population  
6 of forty-eight thousand or more according to the most recent  
7 federal decennial census, the sum of: 1) the total deductions  
8 claimed pursuant to Sections 7-9-92 and 7-9-93 NMSA 1978 for  
9 the month by taxpayers from business locations within a  
10 municipality in the county multiplied by the combined rate of  
11 all county local option gross receipts taxes in effect on  
12 January 1, 2007 that are imposed throughout the county; and 2)  
13 the total deductions claimed pursuant to Sections 7-9-92 and  
14 7-9-93 NMSA 1978 for the month by taxpayers from business  
15 locations in the county but not within a municipality  
16 multiplied by the combined taxes in effect on January 1, 2007  
17 that are imposed in the county area not within a municipality;  
18 and

19 (2) "tax revenue" means the net receipts  
20 attributable to a county hold harmless gross receipts tax."

21 SECTION 3. EFFECTIVE DATE.--The effective date of the  
22 provisions of this act is July 1, 2015.