

AN ACT

RELATING TO TAXATION; PROVIDING THAT THE COUNTY REGIONAL TRANSIT GROSS RECEIPTS TAX BE DISTRIBUTED BY THE TAXATION AND REVENUE DEPARTMENT TO THE REGIONAL TRANSIT DISTRICT.

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

Section 1. Section 7-1-6.13 NMSA 1978 (being Laws 1983, Chapter 211, Section 18, as amended) is amended to read:

"7-1-6.13. TRANSFER--REVENUES FROM COUNTY LOCAL OPTION GROSS RECEIPTS TAXES.--

A. Except as provided in Subsections B, C and D of this section, a transfer pursuant to Section 7-1-6.1 NMSA 1978 shall be made to each county for which the department is collecting a local option gross receipts tax imposed by that county in an amount, subject to any increase or decrease made pursuant to Section 7-1-6.15 NMSA 1978, equal to the net receipts attributable to the local option gross receipts tax imposed by that county, less any deduction for administrative cost determined and made by the department pursuant to the provisions of the act authorizing imposition by that county of the local option gross receipts tax and any additional administrative fee withheld pursuant to Subsection C of Section 7-1-6.41 NMSA 1978.

B. A transfer pursuant to this section may be adjusted for a distribution made to a tax increment

development district with respect to a portion of a gross receipts tax increment dedicated by a county pursuant to the Tax Increment for Development Act.

C. Through June 30, 2009, a distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the sole community provider fund from revenue attributable to the county gross receipts tax imposed by a county pursuant to Section 7-20E-9 NMSA 1978, subject to the approval of the board of county commissioners of that county. The distribution shall be in an amount equal to one-twelfth of the county's annual approved contribution for support of sole community provider payments. Revenue in excess of the amount required for the contribution shall be transferred to the county pursuant to the provisions of Subsection A of this section.

D. The department shall transfer the amount of the county regional transit gross receipts tax collected, less the administrative fee withheld and less any disbursements for tax credits, refunds and the payment of interest applicable to the tax, to the regional transit district for which county regional transit gross receipts tax is imposed pursuant to the provisions of the County Local Option Gross Receipts Taxes Act. The transfer to a regional transit district shall be made within the month following the month in which the tax is collected."

Section 2. Section 7-20E-7 NMSA 1978 (being Laws 1993, Chapter 354, Section 7, as amended) is amended to read:

"7-20E-7. COLLECTION BY DEPARTMENT--TRANSFER OF PROCEEDS--DEDUCTIONS.--

A. The department shall collect each tax imposed pursuant to the provisions of the County Local Option Gross Receipts Taxes Act in the same manner and at the same time it collects the state gross receipts tax.

B. The department shall withhold an administrative fee pursuant to Section 7-1-6.41 NMSA 1978. Except as provided in Subsections C and D of this section, the department shall transfer to each county for which it is collecting a tax pursuant to the provisions of the County Local Option Gross Receipts Taxes Act the amount of each tax collected for that county, less the administrative fee withheld and less any disbursements for tax credits, refunds and the payment of interest applicable to the tax. The transfer to the county shall be made within the month following the month in which the tax is collected.

C. Through June 30, 2009, with respect to revenue attributable to imposition by a county of the county gross receipts tax pursuant to Section 7-20E-9 NMSA 1978, the department shall, subject to the approval of the board of county commissioners of that county, distribute monthly to the sole community provider fund an amount equal to one-twelfth of

the county's approved annual contribution for support of sole community provider payments. Revenue in excess of the amount required for the contribution shall be transferred to the county pursuant to the provisions of Subsection B of this section.

D. The department shall transfer the amount of the county regional transit gross receipts tax collected, less the administrative fee withheld and less any disbursements for tax credits, refunds and the payment of interest applicable to the tax, to the regional transit district for which county regional transit gross receipts tax is imposed pursuant to the provisions of the County Local Option Gross Receipts Taxes Act. The transfer to a regional transit district shall be made within the month following the month in which the tax is collected."

Section 3. Section 7-20E-23 NMSA 1978 (being Laws 2004, Chapter 17, Section 2, as amended) is amended to read:

"7-20E-23. COUNTY REGIONAL TRANSIT GROSS RECEIPTS TAX--  
AUTHORITY TO IMPOSE--RATE--ELECTION REQUIRED.--

A. Upon a request by resolution of the board of directors of a regional transit district, a majority of the members of the governing body of each county that is within the district shall impose by identical ordinances an excise tax at the rate specified in the resolution, but not to exceed one-half percent of the gross receipts of any person engaging

in business in the district for the privilege of engaging in business. A tax imposed pursuant to this section may be imposed by one or more ordinances, each imposing any number of tax rate increments, but an increment shall not be less than one-sixteenth percent of the gross receipts of any person engaging in business in the district and the aggregate of all rates shall not exceed one-half percent of the gross receipts of any person engaging in business in the district. The tax may be referred to as the "county regional transit gross receipts tax".

B. Each governing body, at the time of enacting an ordinance imposing the tax authorized in Subsection A of this section, shall dedicate the revenue for the purposes authorized by the Regional Transit District Act.

C. An ordinance imposing a county regional transit gross receipts tax shall not go into effect until after a joint election is held by all counties within the district and a majority of the voters of the district voting in the election votes in favor of imposing the tax. Each governing body shall adopt an ordinance calling for a joint election within seventy-five days of the date the resolution is adopted on the question of imposing the tax. The question shall be submitted to the voters of the district as a separate question at a general election or at a joint special election called for that purpose by each governing body. A joint special

election shall be called, conducted and canvassed substantially in the same manner as provided by law for general elections. If a majority of the voters in the district voting on the question approves the ordinance imposing the county regional transit gross receipts tax, the ordinance shall become effective in accordance with the provisions of the County Local Option Gross Receipts Taxes Act. If the question of imposing the county regional transit gross receipts tax fails, the governing bodies shall not again propose the imposition of any increment of the tax for a period of one year from the date of the election.

D. The department shall withhold an administrative fee pursuant to Section 7-1-6.41 NMSA 1978 and shall transfer the balance of the proceeds from the tax to the regional transit district for the purposes specified in the ordinance and in accordance with the provisions of the Regional Transit District Act.

E. As used in this section, "county within the district" means a county within which lies any portion of a regional transit district."

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