

SENATE FINANCE COMMITTEE SUBSTITUTE FOR
SENATE BILL 30

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

AN ACT

RELATING TO TAXATION; INCREASING THE CIGARETTE TAX FOR A PERIOD
OF ONE YEAR; DISTRIBUTING THE ADDITIONAL REVENUE ATTRIBUTABLE
TO THE INCREASE IN THE CIGARETTE TAX TO THE GENERAL FUND.

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

Section 1. Section 7-1-6.11 NMSA 1978 (being Laws 1983,
Chapter 211, Section 16, as amended) is amended to read:

"7-1-6.11. DISTRIBUTIONS OF CIGARETTE TAXES.--Through
June 30, 2011:

A. a distribution pursuant to Section 7-1-6.1 NMSA
1978 shall be made to the county and municipality recreational
fund in an amount equal to [~~one and thirty-five~~] eighty-six
hundredths percent of the net receipts, exclusive of penalties
and interest, attributable to the cigarette tax;

B. a distribution pursuant to Section 7-1-6.1 NMSA

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1 1978 shall be made to the county and municipal cigarette tax
2 fund in an amount equal to [~~two and sixty-nine~~] one and
3 seventy-hundredths percent of the net receipts, exclusive of
4 penalties and interest, attributable to the cigarette tax;

5 C. a distribution pursuant to Section 7-1-6.1 NMSA
6 1978 shall be made to the cancer research and treatment center
7 at the university of New Mexico health sciences center in an
8 amount equal to [~~one and thirty-five~~] eighty-six hundredths
9 percent of the net receipts, exclusive of penalties and
10 interest, attributable to the cigarette tax;

11 D. a distribution pursuant to Section 7-1-6.1 NMSA
12 1978 shall be made to the New Mexico finance authority in an
13 amount equal to [~~two and two~~] one and twenty-eight hundredths
14 percent of the net receipts, exclusive of penalties and
15 interest, attributable to the cigarette tax;

16 E. a distribution pursuant to Section 7-1-6.1 NMSA
17 1978 in an amount equal to [~~fourteen and thirty-seven~~] nine and
18 ten-hundredths percent of the net receipts, exclusive of
19 penalties and interest, attributable to the cigarette tax,
20 shall be made, on behalf of and for the benefit of the
21 university of New Mexico health sciences center, to the New
22 Mexico finance authority;

23 F. a distribution pursuant to Section 7-1-6.1 NMSA
24 1978 in an amount equal to [~~six and five~~] three and eighty-
25 three hundredths percent of the net receipts, exclusive of

1 penalties and interest, attributable to the cigarette tax shall
 2 be made to the New Mexico finance authority for land
 3 acquisition and the planning, designing, construction and
 4 equipping of department of health facilities or improvements to
 5 such facilities;

6 G. a distribution pursuant to Section 7-1-6.1 NMSA
 7 1978 in an amount equal to [~~fifteen and seventy-nine~~
 8 ~~hundredths~~] ten percent of the net receipts, exclusive of
 9 penalties and interest, attributable to the cigarette tax shall
 10 be made to the New Mexico finance authority for deposit in the
 11 credit enhancement account created in the authority; and

12 H. a distribution pursuant to Section 7-1-6.1 NMSA
 13 1978 in an amount equal to [~~one~~] sixty-three hundredths percent
 14 of the net receipts, exclusive of penalties and interest,
 15 attributable to the cigarette tax shall be made, on behalf of
 16 and for the benefit of the rural county cancer treatment fund,
 17 to the New Mexico finance authority."

18 Section 2. Section 7-12-3 NMSA 1978 (being Laws 1971,
 19 Chapter 77, Section 3, as amended) is amended to read:

20 "7-12-3. EXCISE TAX ON CIGARETTES--RATES.--

21 A. Through June 30, 2011, for the privilege of
 22 selling, giving or consuming cigarettes in New Mexico, there is
 23 levied an excise tax at the following rates for each cigarette
 24 sold, given or consumed in this state:

25 (1) [~~four and fifty-five hundredths cents~~

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1 ~~(\$.0455)~~ nine and fifty-five hundredths cents (\$.0955) if the
2 cigarettes are packaged in lots of twenty or twenty-five;

3 (2) ~~[nine and ten hundredths cents (\$.091)]~~
4 nineteen and one-tenth cents (\$.191) if the cigarettes are
5 packaged in lots of ten; or

6 (3) ~~[eighteen and twenty hundredths cents~~
7 ~~(\$.182)]~~ thirty-eight and two-tenths cents (\$.382) if the
8 cigarettes are packaged in lots of five.

9 B. The tax imposed by this section shall be
10 referred to as the "cigarette tax".

11 Section 3. Section 7-1-6.11 NMSA 1978 (being Section 1 of
12 this act if it becomes law) is repealed and a new Section
13 7-1-6.11 NMSA 1978 is enacted to read:

14 "7-1-6.11. [NEW MATERIAL] DISTRIBUTIONS OF CIGARETTE
15 TAXES.--Beginning on July 1, 2011:

16 A. a distribution pursuant to Section 7-1-6.1 NMSA
17 1978 shall be made to the county and municipality recreational
18 fund in an amount equal to one and thirty-five hundredths
19 percent of the net receipts, exclusive of penalties and
20 interest, attributable to the cigarette tax;

21 B. a distribution pursuant to Section 7-1-6.1 NMSA
22 1978 shall be made to the county and municipal cigarette tax
23 fund in an amount equal to two and sixty-nine hundredths
24 percent of the net receipts, exclusive of penalties and
25 interest, attributable to the cigarette tax;

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1 C. a distribution pursuant to Section 7-1-6.1 NMSA
2 1978 shall be made to the cancer research and treatment center
3 at the university of New Mexico health sciences center in an
4 amount equal to one and thirty-five hundredths percent of the
5 net receipts, exclusive of penalties and interest, attributable
6 to the cigarette tax;

7 D. a distribution pursuant to Section 7-1-6.1 NMSA
8 1978 shall be made to the New Mexico finance authority in an
9 amount equal to two and two-hundredths percent of the net
10 receipts, exclusive of penalties and interest, attributable to
11 the cigarette tax;

12 E. a distribution pursuant to Section 7-1-6.1 NMSA
13 1978 in an amount equal to fourteen and thirty-seven hundredths
14 percent of the net receipts, exclusive of penalties and
15 interest, attributable to the cigarette tax, shall be made, on
16 behalf of and for the benefit of the university of New Mexico
17 health sciences center, to the New Mexico finance authority;

18 F. a distribution pursuant to Section 7-1-6.1 NMSA
19 1978 in an amount equal to six and five-hundredths percent of
20 the net receipts, exclusive of penalties and interest,
21 attributable to the cigarette tax shall be made to the New
22 Mexico finance authority for land acquisition and the planning,
23 designing, construction and equipping of department of health
24 facilities or improvements to such facilities;

25 G. a distribution pursuant to Section 7-1-6.1 NMSA

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1 1978 in an amount equal to fifteen and seventy-nine hundredths
2 percent of the net receipts, exclusive of penalties and
3 interest, attributable to the cigarette tax shall be made to
4 the New Mexico finance authority for deposit in the credit
5 enhancement account created in the authority; and

6 H. a distribution pursuant to Section 7-1-6.1 NMSA
7 1978 in an amount equal to one percent of the net receipts,
8 exclusive of penalties and interest, attributable to the
9 cigarette tax shall be made, on behalf of and for the benefit
10 of the rural county cancer treatment fund, to the New Mexico
11 finance authority."

12 Section 4. Section 7-12-3 NMSA 1978 (being Section 2 of
13 this act if it becomes law) is repealed and a new Section
14 7-12-3 NMSA 1978 is enacted to read:

15 "7-12-3. [NEW MATERIAL] EXCISE TAX ON CIGARETTES--
16 RATES.--

17 A. Beginning on July 1, 2011, for the privilege of
18 selling, giving or consuming cigarettes in New Mexico, there is
19 levied an excise tax at the following rates for each cigarette
20 sold, given or consumed in this state:

21 (1) four and fifty-five hundredths cents
22 (\$.0455) if the cigarettes are packaged in lots of twenty or
23 twenty-five;

24 (2) nine and ten-hundredths cents (\$.091) if
25 the cigarettes are packaged in lots of ten; or

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1 (3) eighteen and twenty-hundredths cents
2 (\$.182) if the cigarettes are packaged in lots of five.

3 B. The tax imposed by this section shall be
4 referred to as the "cigarette tax".

5 Section 5. EFFECTIVE DATE.--

6 A. The effective date of the provisions of Sections
7 1 and 2 of this act is July 1, 2010.

8 B. The effective date of the provisions of Sections
9 3 and 4 of this act is July 1, 2011.

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