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SENATE BILL 234

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

INTRODUCED BY

Stephen H. Fischmann

AN ACT

RELATING TO TAXATION; AMENDING THE COUNTY LOCAL OPTION GROSS RECEIPTS TAXES ACT; AUTHORIZING ADDITIONAL PURPOSES AND EXTENSION OF THE PERIOD OF IMPOSITION FOR THE COUNTY HOSPITAL EMERGENCY GROSS RECEIPTS TAX.

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

Section 1. Section 7-20E-12.1 NMSA 1978 (being Laws 1994, Chapter 14, Section 1, as amended) is amended to read:

"7-20E-12.1. COUNTY HOSPITAL EMERGENCY GROSS RECEIPTS TAX--AUTHORITY TO IMPOSE--USE OF PROCEEDS.--

A. A majority of the members of a governing body may enact an ordinance imposing an excise tax on a person engaging in business in the county for the privilege of engaging in business. The rate of the tax shall be one-fourth of one percent of the gross receipts of the person engaging in

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1 business. The tax shall be imposed for a period of not more
2 than two years from the effective date of the ordinance
3 imposing the tax. The tax may be imposed for an additional
4 period not to exceed three years from the date of the ordinance
5 imposing the tax for that period. On or after July 1, 1997:

6 (1) in a county described in Paragraph (1) of
7 Subsection D of this section, the tax may be imposed for the
8 period necessary for payment of bonds or a loan for acquisition
9 of land or buildings for and the design, construction,
10 equipping, remodeling or improvement of a county hospital
11 facility, but the period shall not exceed twenty years from the
12 effective date of the ordinance imposing the tax for that
13 period; provided, however, that a majority of the members of a
14 governing body that has enacted an ordinance imposing the tax
15 pursuant to the provisions of this paragraph may, prior to the
16 date of the delayed repeal of the ordinance, enact an ordinance
17 to extend the period of imposition of the previously imposed
18 tax for an additional twenty years and modify the purposes for
19 which the revenue from the tax is dedicated, consistent with
20 one or more of the purposes permitted pursuant to this
21 paragraph; and

22 (2) in a county described in Paragraph (2) of
23 Subsection D of this section, the tax may be imposed for the
24 period necessary for payment of bonds or a loan for
25 acquisition, equipping, remodeling or improvement of a county

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1 health facility, but the period shall not exceed twenty years
2 from the effective date of the ordinance imposing the tax for
3 that period.

4 B. The tax imposed by this section may be referred
5 to as the "county hospital emergency gross receipts tax".

6 C. At the time of enacting the ordinance imposing
7 the tax authorized in this section:

8 (1) if the effective date of the tax is prior
9 to July 1, 1997, the governing body shall dedicate the revenue
10 for current operations and maintenance of a hospital owned by
11 the county or a hospital with which the county has entered into
12 a health care facilities contract; provided that a majority of
13 the members of a governing body may enact an ordinance to
14 change the purposes for which the revenue from a previously
15 imposed tax is dedicated and to dedicate that revenue during
16 the remainder of the tax imposition period to payment of bonds
17 or a loan for acquisition of land or buildings for, and the
18 design, construction, equipping, remodeling or improvement of,
19 a county hospital facility; and

20 (2) if the effective date of the tax is on or
21 after July 1, 1997:

22 (a) the governing body of a county
23 described in Paragraph (1) of Subsection D of this section
24 shall dedicate the revenue for the period of time the tax is
25 imposed to payment of a bond or loan for acquisition,

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1 equipping, remodeling and improvement of a county hospital
2 facility; provided, however, that a majority of the members of
3 a governing body that has imposed the tax and dedicated the
4 revenue from that imposition pursuant to the provisions of this
5 paragraph may, prior to the date of the delayed repeal of the
6 ordinance imposing the tax, enact an ordinance to extend the
7 period of imposition of the tax as provided in Paragraph (1) of
8 Subsection A of this section and modify the purposes for which
9 the revenue from the previously imposed tax is dedicated, and
10 dedicate that revenue to payment of bonds or a loan for
11 acquisition of land or buildings for, and the design,
12 construction, equipping, remodeling or improvement of, a county
13 hospital facility; and

14 (b) the governing body of a county
15 described in Paragraph (2) of Subsection D of this section
16 shall dedicate the revenue for the period of time the tax is
17 imposed to payment of a bond or loan for acquisition,
18 equipping, remodeling and improvement of a county health
19 facility.

20 D. As used in this section, "county" means:

21 (1) a class B county with a population of less
22 than ten thousand according to the 1990 federal decennial
23 census and with a net taxable value for rate-setting purposes
24 for the 1993 property tax year in excess of one hundred million
25 dollars (\$100,000,000); or

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1 (2) a class B county with a population of less
2 than ten thousand according to the 1990 federal decennial
3 census and with a net taxable value for rate-setting purposes
4 for the 1997 property tax year of more than one hundred million
5 dollars (\$100,000,000) but less than one hundred twenty million
6 dollars (\$120,000,000)."

7 Section 2. EFFECTIVE DATE.--The effective date of the
8 provisions of this act is July 1, 2010.

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