

1 HOUSE BILL 343

2 **50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

3 INTRODUCED BY

4 Ben Lujan

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10 AN ACT

11 RELATING TO TAXATION; CLARIFYING POLITICAL SUBDIVISION
12 QUALIFICATIONS FOR IMPOSING CERTAIN TAXES.

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

15 SECTION 1. A new section of the Tax Administration Act is
16 enacted to read:

17 "[NEW MATERIAL] TAXES IMPOSED BY QUALIFIED POLITICAL
18 SUBDIVISIONS--LEGISLATIVE INTENT--CONTINUING QUALIFICATION.--

19 A. It is the intent of the legislature that once a
20 political subdivision authorized by virtue of area, population,
21 net taxable base for rate-setting purposes or other criteria to
22 impose a tax does so in accordance with applicable law, the
23 political subdivision shall not be automatically precluded from
24 continuing to impose or reimpose that tax even though it may no
25 longer meet one or more of the criteria that qualified it to

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1 impose the tax in the first place.

2 B. Once a tax has been imposed by a political
3 subdivision pursuant to the provisions of Chapter 7 NMSA 1978,
4 the political subdivision shall not lose its qualifying status
5 to continue to impose or reimpose that tax based upon any
6 change in county classification, area, population or net
7 taxable base for rate-setting purposes, provided that the tax
8 has not been repealed or terminated."

9 SECTION 2. APPLICABILITY.--The provisions of this act
10 shall apply retroactively.