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HOUSE BILL 58

52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

INTRODUCED BY

Roberto "Bobby" J. Gonzales

AN ACT

RELATING TO TAXATION; INCREMENTALLY INCREASING THE GASOLINE TAX AND THE SPECIAL FUEL EXCISE TAX; PROVIDING FOR DISTRIBUTION OF NET RECEIPTS ATTRIBUTABLE TO THE TAX INCREASES TO THE STATE ROAD FUND; MAKING AN APPROPRIATION.

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

SECTION 1. Section 7-1-6.7 NMSA 1978 (being Laws 1994, Chapter 5, Section 2, as amended) is amended to read:

"7-1-6.7. DISTRIBUTIONS--STATE AVIATION FUND.--

A. A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the state aviation fund in an amount equal to four and seventy-nine hundredths percent of the taxable gross receipts attributable to the sale of fuel specially prepared and sold for use in turboprop or jet-type engines as determined by the department.

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1 B. A distribution pursuant to Section 7-1-6.1 NMSA
2 1978 shall be made to the state aviation fund in an amount
3 equal to [~~twenty-six hundredths percent of gasoline taxes,~~
4 ~~exclusive of penalties and interest, collected~~] the following
5 percentages of the net receipts attributable to the taxes
6 imposed pursuant to the Gasoline Tax Act during the following
7 periods:

8 (1) on or before June 30, 2015, twenty-six
9 hundredths percent;

10 (2) from July 1, 2015 through June 30, 2016,
11 twenty-five hundredths percent;

12 (3) from July 1, 2016 through June 30, 2017,
13 twenty-three hundredths percent;

14 (4) from July 1, 2017 through June 30, 2018,
15 twenty-two hundredths percent;

16 (5) from July 1, 2018 through June 30, 2019,
17 twenty-one hundredths percent; and

18 (6) on or after July 1, 2019, two-tenths
19 percent.

20 C. From July 1, 2013 through June 30, 2018, a
21 distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be
22 made to the state aviation fund in an amount equal to
23 forty-six thousandths percent of the net receipts attributable
24 to the gross receipts tax distributable to the general fund.

25 D. A distribution pursuant to Section 7-1-6.1 NMSA

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1 1978 shall be made to the state aviation fund from the net
2 receipts attributable to the gross receipts tax distributable
3 to the general fund in an amount equal to
4 [~~(1) eighty thousand dollars (\$80,000) monthly~~
5 ~~from July 1, 2007 through June 30, 2008;~~
6 ~~(2) one hundred sixty-seven thousand dollars~~
7 ~~(\$167,000) monthly from July 1, 2008 through June 30, 2009; and~~
8 ~~(3)] two hundred fifty thousand dollars
9 (\$250,000) monthly [after July 1, 2009]."~~

10 SECTION 2. Section 7-1-6.8 NMSA 1978 (being Laws 1983,
11 Chapter 211, Section 13, as amended) is amended to read:

12 "7-1-6.8. DISTRIBUTION--MOTORBOAT FUEL TAX FUND.--A
13 distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be
14 made to the motorboat fuel tax fund in an amount equal to
15 [~~thirteen-hundredths of one percent~~] the following percentages
16 of the net receipts attributable to the gasoline tax imposed
17 during the following periods:

- 18 A. on or before June 30, 2015, thirteen-hundredths
19 percent;
20 B. from July 1, 2015 through June 30, 2017, twelve-
21 hundredths percent;
22 C. from July 1, 2017 through June 30, 2019, eleven-
23 hundredths percent; and
24 D. on or after July 1, 2019, one-tenth percent."

25 SECTION 3. Section 7-1-6.9 NMSA 1978 (being Laws 1991,

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1 Chapter 9, Section 11, as amended) is amended to read:

2 "7-1-6.9. DISTRIBUTION OF GASOLINE TAXES TO
3 MUNICIPALITIES AND COUNTIES.--

4 A. A distribution pursuant to Section 7-1-6.1 NMSA
5 1978 shall be made in an amount equal to [~~ten and thirty-eight~~
6 ~~hundredths percent~~] the following percentages of the net
7 receipts attributable to the taxes, exclusive of penalties and
8 interest, imposed [~~by~~] pursuant to the Gasoline Tax Act during
9 the following periods:

- 10 (1) on or before June 30, 2015, ten and
- 11 thirty-eight hundredths percent;
- 12 (2) from July 1, 2015 through June 30, 2016,
- 13 nine and eight-tenths percent;
- 14 (3) from July 1, 2016 through June 30, 2017,
- 15 nine and twenty-nine hundredths percent;
- 16 (4) from July 1, 2017 through June 30, 2018,
- 17 eight and eighty-two hundredths percent;
- 18 (5) from July 1, 2018 through June 30, 2019,
- 19 eight and four-tenths percent; and
- 20 (6) on or after July 1, 2019, eight and two-
- 21 hundredths percent.

22 B. [~~Except as provided in Subsection D of this~~
23 ~~section~~] The amount determined in Subsection A of this section
24 shall be distributed as follows:

- 25 (1) ninety percent of the amount shall be paid

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1 to the treasurers of municipalities and H class counties in the
2 proportion that the taxable motor fuel sales in each of the
3 municipalities and H class counties bears to the aggregate
4 taxable motor fuel sales in all of these municipalities and H
5 class counties; and

6 (2) ten percent of the amount shall be paid to
7 the treasurers of the counties, including H class counties, in
8 the proportion that the taxable motor fuel sales outside of
9 incorporated municipalities in each of the counties bears to
10 the aggregate taxable motor fuel sales outside of incorporated
11 municipalities in all of the counties.

12 C. Except as provided in Subsection D of this
13 section, this distribution shall be paid into a separate road
14 fund in the municipal treasury or county road fund for
15 expenditure only for construction, reconstruction, resurfacing
16 or other improvement or maintenance of public roads, streets,
17 alleys or bridges, including right-of-way and materials
18 acquisition. Money distributed pursuant to this section may be
19 used by a municipality or county to provide matching funds for
20 projects subject to cooperative agreements entered into with
21 the [~~state highway and~~] department of transportation
22 [~~department~~] pursuant to Section 67-3-28 NMSA 1978. Any
23 municipality or H class county that has created or that creates
24 a "street improvement fund" to which gasoline tax revenues or
25 distributions are irrevocably pledged under Sections 3-34-1

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1 through 3-34-4 NMSA 1978 or that has pledged all or a portion
2 of gasoline tax revenues or distributions to the payment of
3 bonds shall receive its proportion of the distribution of
4 revenues under this section impressed with and subject to these
5 pledges.

6 D. This distribution may be paid into a separate
7 road fund or the general fund of the municipality or county if
8 the municipality has a population less than three thousand or
9 the county has a population less than four thousand."

10 SECTION 4. Section 7-1-6.10 NMSA 1978 (being Laws 1983,
11 Chapter 211, Section 15, as amended) is amended to read:

12 "7-1-6.10. DISTRIBUTIONS--STATE ROAD FUND.--

13 A. A distribution pursuant to Section 7-1-6.1 NMSA
14 1978 shall be made to the state road fund in an amount equal to
15 the net receipts attributable to the taxes, surcharges,
16 penalties and interest imposed pursuant to the Gasoline Tax Act
17 and to the taxes, surtaxes, fees, penalties and interest
18 imposed pursuant to the Special Fuels Supplier Tax Act and the
19 Alternative Fuel Tax Act less:

20 (1) the amount distributed to the state
21 aviation fund pursuant to Subsection B of Section 7-1-6.7 NMSA
22 1978;

23 (2) the amount distributed to the motorboat
24 fuel tax fund pursuant to Section 7-1-6.8 NMSA 1978;

25 (3) the amount distributed to municipalities

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1 and counties pursuant to Subsection A of Section 7-1-6.9 NMSA
2 1978;

3 (4) the amount distributed to the county
4 government road fund pursuant to Section 7-1-6.19 NMSA 1978;

5 (5) the amount distributed to the local
6 governments road fund pursuant to Section 7-1-6.39 NMSA 1978;

7 (6) the amount distributed to the
8 municipalities pursuant to Section 7-1-6.27 NMSA 1978;

9 (7) the amount distributed to the municipal
10 arterial program of the local governments road fund pursuant to
11 Section 7-1-6.28 NMSA 1978;

12 (8) the amount distributed to a qualified
13 tribe pursuant to [~~a gasoline tax sharing agreement entered~~
14 ~~into between the secretary of transportation and the qualified~~
15 ~~tribe pursuant to the provisions of]~~ Section [~~67-3-8.1~~]
16 7-1-6.44 NMSA 1978; and

17 (9) the amount distributed to the general fund
18 pursuant to Section 7-1-6.44 NMSA 1978.

19 B. A distribution pursuant to Section 7-1-6.1 NMSA
20 1978 shall be made to the state road fund in an amount equal to
21 the net receipts attributable to the taxes, interest and
22 penalties from the Weight Distance Tax Act."

23 SECTION 5. Section 7-1-6.19 NMSA 1978 (being Laws 1991,
24 Chapter 9, Section 15, as amended) is amended to read:

25 "7-1-6.19. DISTRIBUTION--COUNTY GOVERNMENT ROAD FUND

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1 CREATED.--

2 A. There is created in the state treasury the
3 "county government road fund".

4 B. A distribution pursuant to Section 7-1-6.1 NMSA
5 1978 shall be made to the county government road fund in an
6 amount equal to [~~five and seventy-six hundredths percent~~] the
7 following percentages of the net receipts attributable to the
8 gasoline tax imposed during the following periods:

9 (1) on or before June 30, 2015, five and
10 seventy-six hundredths percent;

11 (2) from July 1, 2015 through June 30, 2016,
12 five and forty-four hundredths percent;

13 (3) from July 1, 2016 through June 30, 2017,
14 five and fifteen-hundredths percent;

15 (4) from July 1, 2017 through June 30, 2018,
16 four and nine-tenths percent;

17 (5) from July 1, 2018 through June 30, 2019,
18 four and sixty-six hundredths percent; and

19 (6) on or after July 1, 2019, four and forty-
20 five hundredths percent."

21 SECTION 6. Section 7-1-6.27 NMSA 1978 (being Laws 1991,
22 Chapter 9, Section 20, as amended) is amended to read:

23 "7-1-6.27. DISTRIBUTION--MUNICIPAL ROADS.--

24 A. A distribution pursuant to Section 7-1-6.1 NMSA
25 1978 shall be made to municipalities for the purposes and

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1 amounts specified in this section in an aggregate amount equal
2 to [~~five and seventy-six hundredths percent~~] the following
3 percentages of the net receipts attributable to the gasoline
4 tax imposed during the following periods:

5 (1) on or before June 30, 2015, five and
6 seventy-six hundredths percent;

7 (2) from July 1, 2015 through June 30, 2016,
8 five and forty-four hundredths percent;

9 (3) from July 1, 2016 through June 30, 2017,
10 five and fifteen-hundredths percent;

11 (4) from July 1, 2017 through June 30, 2018,
12 four and nine-tenths percent;

13 (5) from July 1, 2018 through June 30, 2019,
14 four and sixty-six hundredths percent; and

15 (6) on or after July 1, 2019, four and forty-
16 five hundredths percent.

17 B. The distribution authorized in this section
18 shall be used for the following purposes:

19 (1) reconstructing, resurfacing, maintaining,
20 repairing or otherwise improving existing alleys, streets,
21 roads or bridges, or any combination of the foregoing; or
22 laying off, opening, constructing or otherwise acquiring new
23 alleys, streets, roads or bridges, or any combination of the
24 foregoing; provided that any of the foregoing improvements may
25 include, but are not limited to, the acquisition of rights of

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1 way;

2 (2) to provide matching funds for projects
3 subject to cooperative agreements with the [~~state highway and~~
4 department of transportation [~~department~~] pursuant to Section
5 67-3-28 NMSA 1978; and

6 (3) for expenses of purchasing, maintaining
7 and operating transit operations and facilities, for the
8 operation of a transit authority established by the Municipal
9 Transit Law and for the operation of a vehicle emission
10 inspection program. A municipality may engage in the business
11 of the transportation of passengers and property within the
12 political subdivision by whatever means the municipality may
13 decide and may acquire cars, trucks, motor buses and other
14 equipment necessary for operating the business. A municipality
15 may acquire land, erect buildings and equip the buildings with
16 all the necessary machinery and facilities for the operation,
17 maintenance, modification, repair and storage of the cars,
18 trucks, motor buses and other equipment needed. A municipality
19 may do all things necessary for the acquisition and the conduct
20 of the business of public transportation.

21 C. For the purposes of this section:

22 (1) "computed distribution amount" means the
23 distribution amount calculated for a municipality for a month
24 pursuant to Paragraph (2) of Subsection D of this section prior
25 to any adjustments to the amount due to the provisions of

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1 Subsections E and F of this section;

2 (2) "floor amount" means four hundred
3 seventeen dollars (\$417);

4 (3) "floor municipality" means a municipality
5 whose computed distribution amount is less than the floor
6 amount; and

7 (4) "full distribution municipality" means a
8 municipality whose population at the last federal decennial
9 census was at least two hundred thousand.

10 D. Subject to the provisions of Subsections E and F
11 of this section, each municipality shall be distributed a
12 portion of the aggregate amount distributable under this
13 section in an amount equal to the greater of:

14 (1) the floor amount; or

15 (2) eighty-five percent of the aggregate
16 amount distributable under this section times a fraction, the
17 numerator of which is the municipality's reported taxable
18 gallons of gasoline for the immediately preceding state fiscal
19 year and the denominator of which is the reported total taxable
20 gallons for all municipalities for the same period.

21 E. Fifteen percent of the aggregate amount
22 distributable under this section shall be referred to as the
23 "redistribution amount". Beginning in August 1990, and each
24 month thereafter, from the redistribution amount there shall be
25 taken an amount sufficient to increase the computed

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1 distribution amount of every floor municipality to the floor
2 amount. In the event that the redistribution amount is
3 insufficient for this purpose, the computed distribution amount
4 for each floor municipality shall be increased by an amount
5 equal to the redistribution amount times a fraction, the
6 numerator of which is the difference between the floor amount
7 and the municipality's computed distribution amount and the
8 denominator of which is the difference between the product of
9 the floor amount multiplied by the number of floor
10 municipalities and the total of the computed distribution
11 amounts for all floor municipalities.

12 F. If a balance remains after the redistribution
13 amount has been reduced pursuant to Subsection E of this
14 section, there shall be added to the computed distribution
15 amount of each municipality that is neither a full distribution
16 municipality nor a floor municipality an amount that equals the
17 balance of the redistribution amount times a fraction, the
18 numerator of which is the computed distribution amount of the
19 municipality and the denominator of which is the sum of the
20 computed distribution amounts of all municipalities that are
21 neither full distribution municipalities nor floor
22 municipalities."

23 SECTION 7. Section 7-1-6.28 NMSA 1978 (being Laws 1991,
24 Chapter 9, Section 22, as amended) is amended to read:

25 "7-1-6.28. DISTRIBUTION--MUNICIPAL ARTERIAL PROGRAM OF
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1 LOCAL GOVERNMENTS ROAD FUND.--A distribution pursuant to
2 Section 7-1-6.1 NMSA 1978 shall be made to the municipal
3 arterial program of the local governments road fund [~~created in~~
4 ~~Section 67-3-28.2 NMSA 1978~~] in an amount equal to [~~one and~~
5 ~~forty-four hundredths percent~~] the following percentages of the
6 net receipts attributable to the gasoline tax imposed during
7 the following periods:

8 A. on or before June 30, 2015, one and forty-four
9 hundredths percent;

10 B. from July 1, 2015 through June 30, 2016, one and
11 thirty-six hundredths percent;

12 C. from July 1, 2016 through June 30, 2017, one and
13 twenty-nine hundredths percent;

14 D. from July 1, 2017 through June 30, 2018, one and
15 twenty-two hundredths percent;

16 E. from July 1, 2018 through June 30, 2019, one and
17 seventeen-hundredths percent; and

18 F. on or after July 1, 2019, one and eleven-
19 hundredths percent."

20 SECTION 8. Section 7-1-6.39 NMSA 1978 (being Laws 1995,
21 Chapter 6, Section 9, as amended) is amended to read:

22 "7-1-6.39. DISTRIBUTION OF SPECIAL FUEL EXCISE TAX TO
23 LOCAL GOVERNMENTS ROAD FUND.--A distribution pursuant to
24 Section 7-1-6.1 NMSA 1978 shall be made to the local
25 governments road fund in an amount equal to [~~nine and fifty-two~~

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1 ~~hundredths percent~~] the following percentages of the net
2 receipts attributable to the taxes, exclusive of penalties and
3 interest, from the special fuel excise tax imposed by the
4 Special Fuels Supplier Tax Act imposed during the following
5 periods:

6 A. on or before June 30, 2015, nine and fifty-two
7 hundredths percent;

8 B. from July 1, 2015 through June 30, 2016, nine
9 and nine-hundredths percent;

10 C. from July 1, 2016 through June 30, 2017, eight
11 and sixty-nine hundredths percent;

12 D. from July 1, 2017 through June 30, 2018, eight
13 and thirty-three hundredths percent;

14 E. from July 1, 2018 through June 30, 2019, eight
15 percent; and

16 F. on or after July 1, 2019, seven and sixty-nine
17 hundredths percent."

18 SECTION 9. Section 7-1-6.44 NMSA 1978 (being Laws 2003,
19 Chapter 150, Section 2, as amended) is amended to read:

20 "7-1-6.44. DISTRIBUTION--GASOLINE TAX SHARING
21 AGREEMENT.--

22 A. A distribution pursuant to Section 7-1-6.1
23 NMSA 1978 shall be made by the department to each qualified
24 tribe [~~in an amount equal to forty percent of the net~~
25 ~~receipts attributable to the gasoline tax paid to the~~

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1 ~~department on two million five hundred thousand gallons of~~
2 ~~gasoline each month. The distribution to each qualified~~
3 ~~tribe shall be made]~~ pursuant to a gasoline tax sharing
4 agreement entered into by the department of transportation
5 and the qualified tribe according to the provisions of
6 Section 67-3-8.1 NMSA 1978.

7 B. From the balance remaining each month [~~from~~
8 ~~the gasoline tax revenue on two million five hundred thousand~~
9 ~~gallons of gasoline per qualified tribe]~~ after distributions
10 made pursuant to Subsection A of this section, a distribution
11 of thirty-three thousand three hundred thirty-three dollars
12 (\$33,333) shall be made to the general fund.

13 C. The balance remaining after the distributions
14 from gasoline tax revenue [~~from two million five hundred~~
15 ~~thousand gallons of gasoline per qualified tribe]~~ pursuant to
16 Subsections A and B of this section shall be distributed
17 pursuant to Section 7-1-6.10 NMSA 1978.

18 D. As used in this section, "qualified tribe"
19 means the Pueblo of Nambe or the Pueblo of Santo Domingo, as
20 long as it owns one hundred percent of a registered Indian
21 tribal distributor pursuant to the Gasoline Tax Act, that
22 qualifies for a deduction pursuant to Subsection F of Section
23 7-13-4 NMSA 1978 and has entered into a gasoline tax sharing
24 agreement pursuant to Section 67-3-8.1 NMSA 1978."

25 SECTION 10. Section 7-13-3 NMSA 1978 (being Laws 1971,

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1 Chapter 207, Section 3, as amended) is amended to read:

2 "7-13-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS
3 "GASOLINE TAX".--

4 A. For the privilege of receiving gasoline in
5 this state, there is imposed an excise tax at a rate provided
6 in Subsection B of this section on each gallon of gasoline
7 received in New Mexico.

8 B. The tax imposed by Subsection A of this
9 section shall be [~~seventeen cents (\$.17)~~] equal to the
10 following amounts per gallon of gasoline received in New
11 Mexico during the following periods:

12 (1) on or before June 30, 2015, seventeen
13 cents (\$.17);

14 (2) from July 1, 2015 through June 30, 2016,
15 eighteen cents (\$.18);

16 (3) from July 1, 2016 through June 30, 2017,
17 nineteen cents (\$.19);

18 (4) from July 1, 2017 through June 30, 2018,
19 twenty cents (\$.20);

20 (5) from July 1, 2018 through June 30, 2019,
21 twenty-one cents (\$.21); and

22 (6) on or after July 1, 2019, twenty-two
23 cents (\$.22).

24 C. The tax imposed by this section may be called
25 the "gasoline tax".

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1 SECTION 11. Section 7-16A-3 NMSA 1978 (being Laws
2 1992, Chapter 51, Section 3, as amended) is amended to read:

3 "7-16A-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS
4 SPECIAL FUEL EXCISE TAX.--

5 A. For the privilege of receiving or using
6 special fuel in this state, there is imposed an excise tax at
7 a rate provided in Subsection B of this section on each
8 gallon of special fuel received in New Mexico.

9 B. The tax imposed by Subsection A of this
10 section shall be [~~twenty-one cents (\$.21)~~] equal to the
11 following amounts per gallon of special fuel received or used
12 in New Mexico during the following periods:

13 (1) on or before June 30, 2015, twenty-one
14 cents (\$.21);

15 (2) from July 1, 2015 through June 30, 2016,
16 twenty-two cents (\$.22);

17 (3) from July 1, 2016 through June 30, 2017,
18 twenty-three cents (\$.23);

19 (4) from July 1, 2017 through June 30, 2018,
20 twenty-four cents (\$.24);

21 (5) from July 1, 2018 through June 30, 2019,
22 twenty-five cents (\$.25); and

23 (6) on or after July 1, 2019, twenty-six
24 cents (\$.26).

25 C. The tax imposed by this section may be called

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the "special fuel excise tax"."

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