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AN ACT

RELATING TO TAXATION; PROVIDING FOR AUTHORITY TO REIMPOSE THE
COUNTY EDUCATION GROSS RECEIPTS TAX; UPDATING CERTAIN
REQUIREMENTS TO REFLECT CURRENT CENSUS DATA.

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

SECTION 1. Section 7-20E-20 NMSA 1978 (being Laws 2001,
Chapter 328, Section 1) is amended to read:

"7-20E-20. COUNTY EDUCATION GROSS RECEIPTS TAX--
AUTHORITY TO IMPOSE--RATE--ELECTION--USE OF REVENUE.--

A. Upon submission of a resolution to the
governing body pursuant to Subsection D of this section, the
governing body of a county shall enact an ordinance imposing
or reimposing an excise tax at a rate of one-half of one
percent on any person engaging in business in the county for
the privilege of engaging in business in the county. The tax
imposed pursuant to this section may be referred to as the
"county education gross receipts tax".

B. The governing body, at the time of enacting an
ordinance imposing a county education gross receipts tax
pursuant to this section shall dedicate the revenue only for
the payment of county education gross receipts tax bonds for
public school capital projects and off-campus instruction
program capital projects, if any, in the county. The tax
shall be imposed for the period necessary for payment of the

1 principal and interest on the county education gross receipts
2 tax revenue bonds issued to accomplish the purpose for which
3 the revenue is dedicated, but the period shall not exceed ten
4 years from the effective date of the ordinance imposing the
5 tax.

6 C. The governing body may reimpose a county
7 education gross receipts tax to be effective upon termination
8 of a previously imposed county education gross receipts tax
9 by following the procedures set forth in this section.

10 D. Upon a finding of need, the boards of every
11 school district in a county that is either located wholly
12 within the exterior boundaries of the county or that has a
13 student membership no more than ten percent of whom reside
14 outside the exterior boundaries of the county may enter into
15 a joint agreement to submit a resolution to the governing
16 body of the county requiring the governing body to impose a
17 county education gross receipts tax and to issue county
18 education gross receipts tax revenue bonds for funding public
19 school capital projects and, if applicable, off-campus
20 instruction program capital projects. The boards must agree
21 to provide at least one-fourth of the bond proceeds for
22 capital projects for an off-campus instruction program, if
23 one of the school districts in the county has established
24 such a program. The remaining revenues shall be distributed
25 proportionately to each school district for public school

1 capital outlay projects, including capital projects at
2 charter schools and state-chartered charter schools within
3 the district, based on the ratio that the population of each
4 school district, according to the 2010 federal decennial
5 census, bears to the population of all of the school
6 districts in the county that are parties to the agreement.

7 E. An ordinance imposing the county education
8 gross receipts tax shall not go into effect until after an
9 election is held and a majority of the voters in the county
10 voting in the election votes in favor of imposing the tax.
11 The governing body shall adopt a resolution calling for an
12 election within sixty days of the date the ordinance is
13 adopted on the question of imposing the tax. The question
14 shall be submitted to the voters of the county as a separate
15 question at a general election or at a special election
16 called for that purpose by the governing body. A special
17 election shall be called, conducted and canvassed in
18 substantially the same manner as provided by law for general
19 elections. If a majority of the voters voting on the
20 question approves the ordinance imposing the county education
21 gross receipts tax, then the ordinance shall become effective
22 in accordance with the provisions of the County Local Option
23 Gross Receipts Taxes Act. If the question of imposing the
24 county education gross receipts tax fails, a resolution from
25 the boards of school districts in the county may not again be

1 proposed to the governing body requesting imposition of the
2 tax for a period of one year from the date of the election.

3 F. The proceeds from county education gross
4 receipts tax revenue bonds shall be administered by the
5 governing body and disbursed by the county treasurer to the
6 respective school districts in the amounts and for the
7 purposes authorized in this section and as set out in the
8 resolution submitted by the boards to the governing body.

9 G. As used in this section:

10 (1) "board" means the governing body of a
11 school district;

12 (2) "capital projects" means the designing,
13 constructing and equipping of new buildings; the remodeling,
14 renovating or making additions to and equipping existing
15 buildings; or the improving or equipping of the grounds
16 surrounding buildings;

17 (3) "county" means:

18 (a) a class B county with a population
19 of less than twenty-five thousand according to the 1990
20 federal decennial census and a net taxable value for property
21 tax purposes for the 1999 property tax year of more than five
22 hundred million dollars (\$500,000,000);

23 (b) a county that has imposed a local
24 hospital gross receipts tax pursuant to the Local Hospital
25 Gross Receipts Tax Act, which tax will expire on

1 December 31, 2001; and

2 (c) a county that has previously
3 imposed a county education gross receipts tax; and

4 (4) "off-campus instruction program" means a
5 program established by a school district pursuant to the
6 Off-Campus Instruction Act."

7 SECTION 2. EFFECTIVE DATE.--The effective date of the
8 provisions of this act is July 1, 2012. _____

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