



The Legislature  
of the  
State of New Mexico

49th Legislature, Second Session

LAWS 2010

CHAPTER 75

SENATE BILL 234

Introduced by

SENATOR STEPHEN H. FISCHMANN AND SENATOR JOHN ARTHUR SMITH



# Chapter 75

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

(1) in a county described in Paragraph (1) of Subsection D of this section, the tax may be imposed for the period necessary for payment of bonds or a loan for

1 acquisition of land or buildings for and the design,  
2 construction, equipping, remodeling or improvement of a  
3 county hospital facility, but the period shall not exceed  
4 twenty years from the effective date of the ordinance  
5 imposing the tax for that period; provided, however, that a  
6 majority of the members of a governing body that has enacted  
7 an ordinance imposing the tax pursuant to the provisions of  
8 this paragraph may, prior to the date of the delayed repeal  
9 of the ordinance, enact an ordinance to extend the period of  
10 imposition of the previously imposed tax for an additional  
11 twenty years and modify the purposes for which the revenue  
12 from the tax is dedicated, consistent with one or more of the  
13 purposes permitted pursuant to this paragraph; and

14 (2) in a county described in Paragraph (2)  
15 of Subsection D of this section, the tax may be imposed for  
16 the period necessary for payment of bonds or a loan for  
17 acquisition, equipping, remodeling or improvement of a county  
18 health facility, but the period shall not exceed twenty years  
19 from the effective date of the ordinance imposing the tax for  
20 that period.

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

23 C. At the time of enacting the ordinance imposing  
24 the tax authorized in this section:

25 (1) if the effective date of the tax is

1 prior to July 1, 1997, the governing body shall dedicate the  
2 revenue for current operations and maintenance of a hospital  
3 owned by the county or a hospital with which the county has  
4 entered into a health care facilities contract; provided that  
5 a majority of the members of a governing body may enact an  
6 ordinance to change the purposes for which the revenue from a  
7 previously imposed tax is dedicated and to dedicate that  
8 revenue during the remainder of the tax imposition period to  
9 payment of bonds or a loan for acquisition of land or  
10 buildings for, and the design, construction, equipping,  
11 remodeling or improvement of, a county hospital facility; and

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

14 (a) the governing body of a county  
15 described in Paragraph (1) 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 hospital  
19 facility; provided, however, that a majority of the members  
20 of a governing body that has imposed the tax and dedicated  
21 the revenue from that imposition pursuant to the provisions  
22 of this paragraph may, prior to the date of the delayed  
23 repeal of the ordinance imposing the tax, enact an ordinance  
24 to extend the period of imposition of the tax as provided in  
25 Paragraph (1) of Subsection A of this section and modify the

1 purposes for which the revenue from the previously imposed  
2 tax is dedicated, and dedicate that revenue to payment of  
3 bonds or a loan for acquisition of land or buildings for, and  
4 the design, construction, equipping, remodeling or  
5 improvement of, a county hospital facility; and

6 (b) the governing body of a county  
7 described in Paragraph (2) of Subsection D of this section  
8 shall dedicate the revenue for the period of time the tax is  
9 imposed to payment of a bond or loan for acquisition,  
10 equipping, remodeling and improvement of a county health  
11 facility.

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

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

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

24 Section 2. EFFECTIVE DATE.--The effective date of the  
25 provisions of this act is July 1, 2010. \_\_\_\_\_

*Diane D. Denish*

Diane D. Denish, President  
Senate

*Lenore M. Naranjo*  
Lenore M. Naranjo, Chief Clerk  
Senate

*Ben Lujan*  
Ben Lujan, Speaker  
House of Representatives

*Stephen R. Arias*  
Stephen R. Arias, Chief Clerk  
House of Representatives

Approved by me this 8<sup>th</sup> day of March, 2010

*Bill Richardson*  
Governor Bill Richardson  
State of New Mexico