

The Legislature  
of the  
State of New Mexico

50th Legislature, 2nd Session

LAWS 2012

CHAPTER \_\_\_\_\_

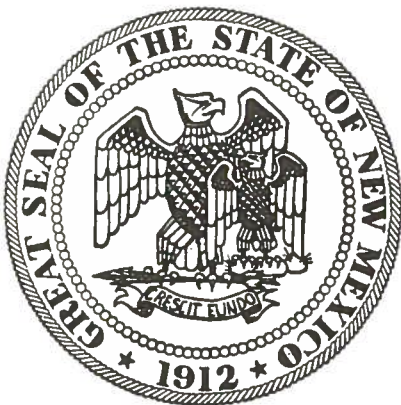
SENATE MEMORIAL 52

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Introduced by

SENATOR STEVEN P. NEVILLE  
SENATOR WILLIAM E. SHARER



1 A MEMORIAL

2 REQUESTING THE GAMING CONTROL BOARD TO STUDY THE FEASIBILITY  
3 OF IMPLEMENTING A PROGRESSIVE TAX BRACKET FOR RACETRACK  
4 CASINOS BASED ON GAMING REVENUE.

5  
6 WHEREAS, the state has an interest in promoting a  
7 climate of economic prosperity for horsemen, horse owners and  
8 racetrack management; and

9 WHEREAS, the impact to the economy of New Mexico of the  
10 breeding and racing industry is over four hundred million  
11 dollars (\$400,000,000); and

12 WHEREAS, the racetrack casinos generate over sixty-three  
13 million dollars (\$63,000,000) in gaming taxes for New Mexico;  
14 and

15 WHEREAS, the breeding and racing industry in New Mexico  
16 affects ten thousand jobs; and

17 WHEREAS, horse breeding is an agricultural industry with  
18 a long-standing tradition in New Mexico; and

19 WHEREAS, horses bred in New Mexico are competitive on a  
20 national level and are internationally recognized for their  
21 accomplishments; and

22 WHEREAS, New Mexico is ranked fourth in the breeding of  
23 American quarter horse race starters and New Mexico is ranked  
24 seventh in the number of breedings of thoroughbred race  
25 horses; and

1           WHEREAS, there are twelve thousand horses associated  
2 with the breeding and racing industry in New Mexico; and

3           WHEREAS, racetrack casinos have enabled horsemen and  
4 horse owners to keep the long-standing tradition alive in  
5 New Mexico; and

6           WHEREAS, in recent years, the changing economic climate  
7 and various other circumstances have made it increasingly  
8 difficult for small and rural racetrack casinos to remain  
9 profitable; and

10          WHEREAS, racetracks were allowed to establish casinos so  
11 that gaming revenue could keep horse racing alive in  
12 New Mexico; and

13          WHEREAS, there is a large disparity of purse money  
14 available at tracks across New Mexico resulting in fewer  
15 horses to fill a race card at some tracks and an overflow of  
16 horses at other tracks; and

17          WHEREAS, a graduated tax on gaming revenues will allow  
18 more equity in purse money available across New Mexico  
19 tracks; and

20          WHEREAS, gaming revenues are considerably lower at  
21 certain racetracks and are only projected to decrease further  
22 in future years; and

23          WHEREAS, a system of progressive tax brackets can reduce  
24 the tax incidence of racetracks with a lower ability to pay  
25 taxes and remain profitable; and

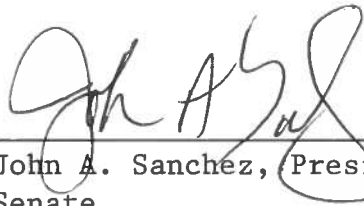
1           WHEREAS, various other states, such as Nevada, Colorado,  
2 Illinois, Indiana, Iowa and Mississippi, have enacted a  
3 graduated tax on gaming revenue;

4           NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE  
5 STATE OF NEW MEXICO that the gaming control board be  
6 requested to study the feasibility of implementing a  
7 progressive tax bracket for racetrack casinos based on gaming  
8 revenue and report the results of the study to the revenue  
9 stabilization and tax policy committee by November 2012; and

10           BE IT FURTHER RESOLVED that a copy of this memorial be  
11 transmitted to the executive director of the gaming control  
12 board. \_\_\_\_\_

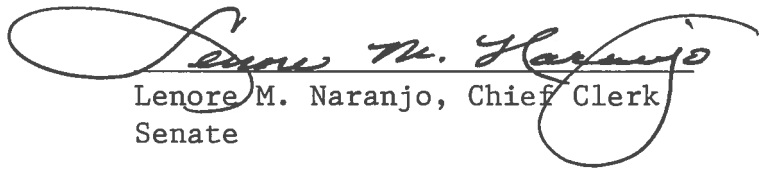
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John A. Sanchez, President  
Senate



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Lenore M. Naranjo, Chief Clerk  
Senate