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AN ACT

RELATING TO TAXATION; ENACTING AUTHORITY TO IMPOSE A SPECIAL COUNTY EDUCATION GROSS RECEIPTS TAX DEDICATED TO PAYMENT FOR BONDS FOR PUBLIC SCHOOL CAPITAL OUTLAY IMPROVEMENTS FOR QUALIFYING COUNTIES.

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

SECTION 1. A new section of the County Local Option Gross Receipts Taxes Act is enacted to read:

"SPECIAL 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 an excise tax at a rate of three-fourths 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 "special county education gross receipts tax".

B. The governing body of a county, at the time of enacting an ordinance imposing a special county education gross receipts tax pursuant to this section, shall dedicate the revenue only for the payment of special county education gross receipts tax revenue bonds for public school capital improvements for participating school districts, locally chartered charter schools and state-chartered charter schools in the county. The tax shall be imposed for the period

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

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

12 D. Upon a finding of need, the boards of each
13 participating school district, locally chartered charter
14 school and state-chartered charter school in a county that is
15 located either wholly within the exterior boundaries of the
16 county or that has a student membership no more than fifty
17 percent of which resides outside the exterior boundaries of
18 the county may enter into a joint agreement to submit a
19 resolution to the governing body of the county requiring the
20 governing body to impose a special county education gross
21 receipts tax and to issue special county education gross
22 receipts tax revenue bonds for funding public school capital
23 improvements for participating school districts, locally
24 chartered charter schools and state-chartered charter
25 schools. The revenues shall be distributed proportionately
to each of the participating school districts, locally
chartered charter schools and state-chartered charter schools

1 for capital improvements based on the ratio of the enrollment
2 for the fortieth day of the school year, as submitted to the
3 public education department's student teacher accountability
4 reporting system, to the total student enrollment of all
5 those school districts, locally chartered charter schools and
6 state-chartered charter schools. The board of any
7 participating school district, locally chartered charter
8 school or state-chartered charter school may decline to
9 participate and thereby become ineligible to receive a
10 proportionate share of the bond proceeds.

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

1 question of imposing the special county education gross
2 receipts tax fails, a resolution from the boards of the
3 school districts, locally chartered charter schools and
4 state-chartered charter schools in the county may not again
5 be proposed to the governing body requesting imposition of
6 the tax for a period of one year from the date of the
7 election.

8 F. The proceeds from special county education
9 gross receipts tax revenue bonds shall be administered by the
10 governing body of the county and disbursed by the county
11 treasurer to the respective school districts, locally
12 chartered charter schools and state-chartered charter schools
13 in the amounts and for the purposes authorized in this
14 section and as set out in the resolution submitted by the
15 boards to the governing body.

16 G. As used in this section:

17 (1) "board" means a board of education of a
18 school district or the governing body of a locally chartered
19 or state-chartered charter school;

20 (2) "capital improvements" means:

21 (a) erecting, remodeling, making
22 additions to, providing equipment for or furnishing public
23 school buildings; and

24 (b) purchasing or improving school
25 grounds;

(3) "county" means a class B county with a
population of less than forty-five thousand according to the

1 2010 federal decennial census and a net taxable value for
2 property tax purposes for the 2012 property tax year of more
3 than one billion five hundred million dollars
4 (\$1,500,000,000); and

5 (4) "equipment" means installation of
6 equipment and technology."

7 SECTION 2. EFFECTIVE DATE.--The effective date of the
8 provisions of this act is July 1, 2015.

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