

1 SENATE BILL 336

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

4 Michael Padilla

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10 AN ACT

11 RELATING TO GAMING CONTROL; ALLOWING THE USE OF RACETRACK FUNDS
12 TO OFFSET THE COSTS OF JOCKEY AND EXERCISE RIDER INSURANCE, THE
13 COSTS OF COMPLYING WITH FEDERAL LAW AND AS OTHERWISE PERMITTED.

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

16 SECTION 1. Section 60-2E-47 NMSA 1978 (being Laws 1997,
17 Chapter 190, Section 49, as amended) is amended to read:

18 "60-2E-47. GAMING TAX--IMPOSITION--ADMINISTRATION.--

19 A. An excise tax is imposed on the privilege of
20 engaging in gaming activities in the state. This tax shall be
21 known as the "gaming tax".

22 B. The gaming tax is an amount equal to ten percent
23 of the gross receipts of manufacturer licensees from the sale,
24 lease or other transfer of gaming devices in or into the state,
25 except receipts of a manufacturer from the sale, lease or other

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1 transfer to a licensed distributor for subsequent sale or lease
2 may be excluded from gross receipts; ten percent of the gross
3 receipts of distributor licensees from the sale, lease or other
4 transfer of gaming devices in or into the state; ten percent of
5 the net take of a gaming operator licensee that is a nonprofit
6 organization; and twenty-six percent of the net take of every
7 other gaming operator licensee. For the purposes of this
8 section, "gross receipts" means the total amount of money or
9 the value of other consideration received from selling, leasing
10 or otherwise transferring gaming devices.

11 C. The gaming tax imposed on a licensee is in lieu
12 of all state and local gross receipts taxes on that portion of
13 the licensee's gross receipts attributable to gaming
14 activities.

15 D. The gaming tax is to be paid on or before the
16 fifteenth day of the month following the month in which the
17 taxable event occurs. The gaming tax shall be administered and
18 collected by the taxation and revenue department in cooperation
19 with the board. The provisions of the Tax Administration Act
20 apply to the collection and administration of the tax.

21 E. In addition to the gaming tax, a gaming operator
22 licensee that is a racetrack shall pay twenty percent of its
23 net take to purses [~~to be distributed~~] and may use the funds to
24 offset the costs of jockey and exercise rider insurance, the
25 costs to comply with federal laws affecting horse racing and as

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1 otherwise permitted in accordance with rules adopted by the
2 state racing commission. An amount not to exceed twenty
3 percent of the interest earned on the balance of any fund
4 consisting of money for purses distributed by racetrack gaming
5 operator licensees pursuant to this subsection may be expended
6 for the costs of administering the distributions. A racetrack
7 gaming operator licensee shall spend no less than one-fourth
8 percent of the net take of its gaming machines to fund or
9 support programs for the treatment and assistance of compulsive
10 gamblers.

11 F. A nonprofit gaming operator licensee shall
12 distribute at least sixty percent of the balance of its net
13 take, after payment of the gaming tax and any income taxes, for
14 charitable or educational purposes."