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# **FYI-C120**

**New Mexico  
Taxation and Revenue Department**

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## **FOR YOUR INFORMATION**

Tax Information/Policy Office ♦ P.O. Box 630 ♦ Santa Fe, New Mexico ♦ 87504-0630

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### **COUNTY GROSS RECEIPTS TAX LOCAL OPTIONS**

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This publication describes the various county gross receipts tax programs administered by the Department<sup>1</sup> and the requirements for imposing, amending or repealing a county gross receipts tax ordinance.

The county gross receipts taxes are collected at the same time and in the same manner as the state gross receipts tax. The county must notify the Department at least three months prior to the effective date (either January 1 or July 1) of the enactment of any county gross receipts tax ordinance resulting in the imposition of, or changes to, tax rates. The notification must include election results and written notice on the status of any petition calling for a referendum. The local option tax rate changes are combined with the state gross receipts tax rate and incorporated into the *Gross Receipts Tax Rate Schedule* that is revised and provided to taxpayers every six months. The Department is authorized and required to charge an administrative fee of the net amount distributed to the counties (7-1-6.41)<sup>2</sup>.

*Effective July 1, 2019, the administrative fee will be 3.0% for your location code.*

## **UNRESTRICTED COUNTY GROSS RECEIPTS TAX**

(7-20E-9)

Amended July 1, 2019

*Effective July 1, 2019, House Bill 479 removes the restricted uses of several county local option gross receipts taxes. In doing so, several restricted local option rates are repealed in favor of increasing the unrestricted countywide local option rate from 7/16 percent to 1.25 percent, the unrestricted county remainder additional local option rate would be capped at .5 percent. Several local options counties not repealed but would add to the total rate imposed in each county. Certain new replacement authorizations will require a positive referendum. The bill also removes restrictions on the use of*

*various increments of the County Gross Receipts tax. The bill makes provision for the procedures and guarantees in situations where various local option gross receipts taxes have been used as a source of funds for retiring revenue bonds.*

*Effective July 1, 2019, House Bill 479 retains the cap for local government local option gross receipts taxes but modifies the requirement for counties to take some local options taxes to the voters. For county-wide local options, new authorizations that exceed 1.25 percent minus .25 percent, or 1.00 percent would have to go to the voters for approval. For county area (county remainder) local options, new authorizations that exceed 0.12 percent would require an authorizing election. Increments up to a total of twenty-five hundredths percent shall not go into effect until after an election is held and a majority of the voters in the county voting in the election votes in favor of the tax. Increments approved by voters prior to the effective date of this 2019 act shall be included in the increments approved by the voters, as provided in this paragraph. Remaining increments, totaling thirty-eight hundredths percent, shall not go into effect until after an election is held and a majority of the voters in the county area voting in the election votes in favor of the tax. Increments approved by voters prior to the effective date of this 2019 act shall be included in the increments approved by the voters. The bill specifically allows that any voter-approved local option rates in place before the effective date of this 2019 act to be “grandfathered”, and not be subject to voter approval. Local governing bodies are permitted to take any local option GRT to the voters. If the county is on a payment plan with The Department, some restrictions will apply.*

**See page 13 for the unrestricted county gross receipts tax model ordinances.**

The Department distributes net receipts from county gross receipts taxes to counties on or before the last day of the month following the month of collection.

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<sup>1</sup> All references to “Department” mean the Taxation and Revenue Department.

<sup>2</sup> Statutory citations in this publication are to the New Mexico Statutes Annotated (NMSA 1978).

Every county may adopt ordinances imposing the following taxes:

County unrestricted gross receipts tax option;  
County water and sanitation gross receipts tax;

Certain counties have adopted ordinances imposing these taxes:

County hospital emergency gross receipts tax (Sierra and Hidalgo Counties);

Special county hospital gross receipts tax (Quay and Luna Counties);

Local hospital gross receipts tax (Catron, Cibola, Colfax, Eddy, Guadalupe, Harding, Hidalgo, Lea, Lincoln, Los Alamos, Luna, Mora, Quay, Roosevelt, San Juan, Sierra, Taos, Torraine, Union and Valencia Counties);

County emergency gross receipts tax (no county currently qualifies);

County education gross receipts tax (Taos County);

Countywide/County area emergency communications and emergency medical and behavioral health services tax (all counties except: Otero County);

County regional transit gross receipts tax;

County regional spaceport gross receipts tax;

County health care gross receipts tax – additional

.0625% (Bernalillo County); or County business retention gross receipts tax (Bernalillo, Dona Ana, Lea, Lincoln and San Juan Counties).

Three laws (County Local Option Gross Receipts Taxes Act, Local Hospital Gross Receipts Tax Act and County Correctional Facility Gross Receipts Tax Act) authorize counties to impose gross receipts taxes. All three have the same standard requirements. No tax imposed by the above three tax acts shall be imposed on the gross receipts arising from transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county, or on gross receipts arising from direct broadcast satellite services. Counties must use the model ordinance available from the Department. All action necessary to adopt an ordinance, including the completion of

a petition period, must be completed three months prior to the proposed effective date, and a certified copy of the ordinance must be provided to the Department within five days from the date the ordinance is certified. The effective date of the ordinance must be January 1 or July 1, whichever date occurs first after the expiration of at least three months from the date the ordinance is mailed or delivered to the Department. When the county holds an election and the majority of the registered voters who vote in the election fail to approve an ordinance, the county cannot propose the imposition of any increment of the tax for one year after the date of the failed election.

## **COUNTY GROSS RECEIPTS TAX**

(7-20E-10 through 7-20E-11) Repealed July 1, 2019

Counties can impose a maximum county gross receipts tax of seven-sixteenths of one percent (.4375%). This tax is imposed on all taxpayers in the county. The tax can be implemented by adoption of three separate ordinances in tax rate increments of one-eighth of one percent (.125%) and one ordinance of one-sixteenth of one percent (.0625%). Although no election is required when adopting the first one-eighth, third one-eighth increment or the one-sixteenth increment of county gross receipts tax, voters may petition for an election to approve or disapprove the ordinance imposing these increments of the tax. Unless prescribed by county charter, the imposition of the second one-eighth increment of tax is not subject to referendum. All action necessary to adopt an ordinance, including the completion of a petition period, must be completed three months prior to the proposed effective date. Proceeds from the first one-eighth increment of the tax may be dedicated to the county general fund, county road fund or both, or for the payment of gross receipts tax bonds in connection with county government services, except that one-fourth (25%) of the revenue generated by the first one-eighth must be set aside monthly in a reserve fund each fiscal year. The reserve fund is released after the close of the fiscal year. All of the second one-eighth increment of the tax must be dedicated

to the support of indigent patients who are residents of that county, and the revenue from the tax must be deposited into the county indigent hospital claims fund. All of the third one-eighth increment and the one-sixteenth increment of the tax can be used for general purposes or for the payment of gross receipts tax bonds in connection with county government services. However, if one-half of the third increment is dedicated (or was dedicated as of January 1996) to county indigent patient purposes, that revenue must also be deposited in the county indigent hospital claims fund. Class A Counties are subject to additional requirements described in 7-20E-9(C).

Up until June 30, 2017, certain counties were authorized to impose an additional one-twelfth of one percent (.0833%) or one-sixteenth of one percent (.0625%). The additional tax increments were imposed on all businesses in the county. Proceeds from the additional tax increments could be dedicated to a specific purpose or area of county government service.

#### **COUNTY INFRASTRUCTURE GROSS RECEIPTS TAX (7-20E-19)**

Repealed July 1, 2019

The county infrastructure gross receipts tax is imposed on persons engaging in business in the county area outside the boundaries of any incorporated municipality. The tax may be imposed in increments of one-sixteenth of one percent (.0625%) not to exceed an aggregate rate of one-eighth of one percent (.125%). The proceeds from the tax can be used for various purposes including: county general purposes; payment of gross receipts tax revenue bonds; county infrastructure improvements; solid waste and wastewater facilities construction and operation; improving or operating a public transit system; construction and operation of a county jail or juvenile detention facility and inmate services and implementing economic development plans. An election is required to impose this tax. A majority of voters living in the county outside incorporated municipalities and voting in the election must approve the ordinance imposing the county infrastructure gross receipts tax. See page 12 for the county infrastructure gross receipts tax model ordinance.

#### **COUNTY CAPITAL OUTLAY GROSS RECEIPTS TAX (7-20E-21)**

Repealed July 1, 2019

Counties can impose a maximum county capital outlay gross receipts tax of one-fourth of one percent (.25%). The tax can be implemented by adoption of one or more ordinances in tax rate increments of one-sixteenth of one percent (.0625%). The tax is imposed on all persons engaging in business in the county. Proceeds from the tax may be dedicated to any county infrastructure purpose, including county building projects and for the payment of revenue bonds for infrastructure purposes. All ordinances, regardless of the tax rate increment, imposing the capital outlay gross receipts tax require an election.

#### **COUNTY ENVIRONMENTAL SERVICES GROSS RECEIPTS TAX (7-20E-17)**

Repealed July 1, 2019

Counties can impose a county environmental services gross receipts tax of one-eighth of one percent (.125%). This tax may be imposed only on persons engaging in business in the county area outside the boundaries of any incorporated municipality. No election is necessary unless required by the county's charter. Voters cannot petition for an election. Proceeds from the tax must be dedicated for the acquisition, construction, operation and maintenance of solid waste facilities, water facilities, wastewater facilities, sewer systems and related facilities.

#### **COUNTY FIRE PROTECTION EXCISE TAX**

(7-20E-15 and 7-20E-16)

Repealed July 1, 2019

Counties can impose a county fire protection excise tax at a rate of either one-fourth of one percent (.25%) or one-eighth of one percent (.125%). This tax is imposed only on persons engaging in business in the county area outside the boundaries of any incorporated municipality. An election is required to impose this tax. A majority of voters living in the county outside incorporated municipalities and

voting in the election must approve the ordinance imposing the county fire protection excise tax. Proceeds from the tax may be dedicated for the operational expenses (exclusive of salaries), ambulance services or capital outlay costs of independent fire districts or for ambulance services provided by the county.

### **COUNTY HEALTH CARE GROSS RECEIPTS TAX**

(7-20E-18)

The governing body of a county may adopt an ordinance imposing the county health care gross receipts tax at a rate of one-sixteenth of one percent (.0625%). This tax is imposed on all taxpayers in the county. No election is required, and voters cannot petition for an election. The revenue from the county health care gross receipts tax must be dedicated to the state's County-Supported Medicaid Fund.

Effective July 1, 2006, the majority of the members of the governing body of a county having a population of more than 500,000 persons (Bernalillo County) may enact an ordinance imposing an additional one-sixteenth of one percent (.0625%) increment of county health care gross receipts tax. The revenue from the additional increment must be dedicated to the support of indigent patients. The imposition of the additional increment must be for a period ending no later than June 30, 2009, to continue an increment after June 30, 2009, or beyond any five-year period for which the increment has been imposed, the members of the governing body shall review the need for the increment. If the majority of the members vote in favor of continuing the increment, the increment shall be imposed for an additional five-year period.

### **SPECIAL COUNTY HOSPITAL GROSS RECEIPTS TAX**

(7-20E-13 and 7-20E-14)

Only two counties are currently authorized to impose the special county hospital gross receipts tax: Quay and Luna Counties, both of which have already imposed the tax. The authorized tax rate is

one-eighth of one percent (.125%) on all persons engaging in business in the county. The tax can be imposed for a period not to exceed five years and may be extended for additional five-year periods through the adoption of subsequent ordinances. Each ordinance imposing the special county hospital gross receipts tax requires an election. Quay County must use the proceeds to finance current operations and maintenance of a hospital owned and operated by the county or operated and maintained by another party pursuant to a lease with the county in caring for sick and indigent persons. Luna County must dedicate the proceeds from this tax for county ambulance transport costs or for the operation of a rural health clinic.

### **LOCAL HOSPITAL GROSS RECEIPTS TAX**

(7-20C-1 through 7-20C-17)

*Repealed July 1, 2019*

Cibola, Quay, Roosevelt, San Juan, Taos, and Union Counties have imposed the local hospital gross receipts tax. Catron, Colfax, Eddy, Guadalupe, Harding, Hidalgo, Lea, Lincoln, Los Alamos, Luna, Mora, Sierra, Torrance, and Valencia Counties are also authorized to impose the tax but have not yet imposed it. For all authorized counties, the tax is imposed on all persons engaging in business in the county and must be approved in an election. Other requirements vary based on county class, population and net taxable value. **Taos** County imposed the local hospital gross receipts tax January 1, 1992. The tax expired December 31, 2001, and may not be imposed again. **Roosevelt** County imposed the local hospital gross receipts tax January 1, 2000, and it is set to expire July 1, 2020. **Cibola** County imposed the local hospital gross receipts tax on July 1, 1997. **Cibola** County repealed this tax effective July 1, 2014 and may not impose it again. **Union** County imposed the local hospital gross receipts tax on January 1, 2008.

The local hospital gross receipts tax rate authorized for **Catron, Colfax, Guadalupe, Harding, Hidalgo, Lincoln, Luna, Mora, Quay,**

**Union**, and **Valencia** Counties is one-eighth of one percent (.125%). Other bonding or property tax requirements also apply. The tax may be imposed for a period of no longer than ten years. The tax must be dedicated to acquisition, renovation and equipping a building for a county hospital facility or a county 24-hour urgent care or emergency facility, or for operation and maintenance of that facility whether operated and maintained by the county or by another party pursuant to a lease or management contract with the county. **Eddy, Lea, Los Alamos, Quay, San Juan, Sierra, Torrance and Union** Counties may impose the local hospital gross receipts tax in any number of increments of one-eighth of one percent (.125%) not to exceed an aggregate rate of one-half of one percent (.5%). **Eddy, Lea, Los Alamos** and **Quay** Counties may impose the local hospital gross receipts tax only once for a period necessary for payment of the principal and interest on revenue bonds issued to accomplish the purpose for which the revenue is dedicated not to exceed 40 years. **Eddy, Lea, Sierra, Torrance** and **San Juan** Counties may impose the local hospital gross receipts tax more than once for a period necessary for payment of the principal and interest on revenue bonds issued to accomplish the purpose for which the revenue is dedicated not to exceed 40 years. Effective July 1, 2009, **San Juan** County is also allowed to enact an ordinance to modify the period of imposition of an existing ordinance imposed prior to January 1, 2009, as long as that modification occurs prior to the delayed repeal date of the original ordinance. The proceeds must be used to finance the acquisition of land or buildings for the renovation, design, construction, equipping or furnishing of a county hospital facility or health clinic to be operated by the county or operated and maintained by another party pursuant to a lease, management contract or health care facilities contract with the county. The proceeds for any tax increments that are imposed by **San Juan** County after January 1, 2009, must be used for either or both of the following: 1) payment of the principal and interest on revenue bonds, including refunding bonds, issued for acquisition of land or buildings for and the renovation, design, construction, equipping or furnishing of hospital

facilities or health care clinic facilities to be operated by the county or operated and maintained by another party pursuant to a health care facilities contract lease or management contract with the county; and 2) use as matching funds for state or federal programs benefiting the facilities. **San Juan** County may also enact an ordinance to modify, prior to the delayed repeal date, the dedication of an existing imposition to one or more of the purposes listed in this paragraph.<sup>3</sup>

An election is required for impositions of the local hospital gross receipts tax or any modification of an existing imposition.

### **COUNTY HOSPITAL GROSS RECEIPTS TAX**

(7-20E-12.1)

At this time, Sierra and Hidalgo Counties are the only counties authorized to impose the county hospital emergency gross receipts tax. Both counties have imposed the county hospital emergency gross receipts tax. The county hospital emergency gross receipts tax shall be imposed at a rate of one-fourth of one percent (.25%). No election is required. The tax is imposed on all persons engaging in business in the county. The proceeds from this tax may be used for the design and construction of a county hospital facility, acquisition of land or buildings, or to repay a bond or loan for acquisition, equipping, remodeling or improvement of a county hospital facility (Sierra County) or a county health facility (Hidalgo County).

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<sup>3</sup>Those counties defined in Paragraphs 4, 5 and 6 of Subsection A of Section 7-20C-2 of the Local Hospital Gross Receipts Tax Act cannot be identified because property tax valuations for property tax years 1993 and 1996 are not available.

**COUNTY CORRECTIONAL FACILITY  
GROSS RECEIPTS TAX**

(7-20F-1 through 7-20F-12)

Repealed July 1, 2019

The county correctional facility gross receipts tax may be imposed in increments of one-sixteenth of one percent (.0625%), up to a maximum of one-eighth of one percent (.125%). The tax is imposed on all persons engaging in business in the county. Although no election is required when adopting the tax, voters may petition for an election to approve or disapprove the ordinance imposing the tax. All action necessary to adopt an ordinance, including the completion of a petition period, must be completed three months prior to the proposed effective date. The proceeds must be used for operating, maintaining, constructing, purchasing, furnishing, equipping, rehabilitating, expanding or improving a judicial- correctional or county correctional facility or the grounds of a judicial-correctional or county correctional facility, including acquiring and improving parking lots, landscaping, transporting or extraditing prisoners or for the payment of principal and interest on revenue bonds.

**COUNTY EMERGENCY GROSS RECEIPTS  
TAX**

(7-20E-12)

Repealed July 1, 2019

Although no county currently qualifies, there is an authorization to impose a county emergency gross receipts tax at a rate of up to three-eighths of one percent (.375%), in increments of one-eighth of one percent (.125%). The tax is imposed on all taxpayers in the county. No election is required, and voters cannot petition for an election. Any ordinance imposing the tax can be effective for no more than twelve months. Whether the tax may be imposed depends on certain factors related to property tax collections.

**COUNTY EDUCATION GROSS RECEIPTS  
TAX**

(7-20E-20)

Taos County is the only county authorized to impose the county education gross receipts tax and reimpose the tax upon expiration of a previously imposed tax. The county education gross receipts tax shall be imposed at a rate of one-half of one percent (.5%). The tax is imposed on all persons engaging in business in the county. Upon submission of a resolution by the school districts in the county, the governing body of the county must enact an ordinance imposing the county education gross receipts tax. The county must hold an election to approve the ordinance imposing the county education gross receipts tax. The proceeds from this tax must be used for the payment of county education gross receipts tax bonds for public school capital projects (including capital projects at charter schools and state-chartered charter schools), and any off-campus instruction program capital projects in the county. The tax can be imposed only for the period necessary for the payment of bonds not to exceed ten years from the effective date of the ordinance imposing the tax.

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<sup>4</sup> According to the Local Government Division, all counties are eligible for this tax with the exception of Otero County.



**COUNTYWIDE/COUNTY AREA  
EMERGENCY COMMUNICATIONS AND  
EMERGENCY MEDICAL AND  
BEHAVIORAL HEALTH SERVICES TAX  
(7-20E-22)**

“Eligible counties” can impose either a countywide or a county area emergency communications and emergency medical and behavioral health services tax of one-fourth of one percent (.25%). “Eligible county” means a county that operates or, pursuant to a joint powers agreement, is served by an emergency communications center determined to be a “consolidated public safety answering point”, by the Local Government Division of the Department of Finance and Administration<sup>4</sup>, or in the case of a county imposing the tax for the purpose of providing behavioral health services, a county that operates or contracts for the operation of a behavioral health services facility providing alcohol abuse, substance abuse and inpatient and outpatient behavioral health treatment. Either tax can be implemented by adoption of one or more ordinances in tax rate increments of one-sixteenth of one percent (.0625%). Eligible counties have the option of imposing the tax on all businesses in the county (countywide) or limiting the imposition to those businesses in the county area outside the boundaries of an incorporated municipality (county area). Proceeds from the tax may be dedicated to the operation of an emergency communications center that has been determined by the Local Government Division to be a consolidated public safety answering point; for emergency medical services provided by the county or for the provision of behavioral health services, including alcohol abuse and substance abuse treatment. The county must hold an election to approve any ordinance imposing either the countywide or county area emergency communications and emergency medical and behavioral health services tax.

**COUNTY REGIONAL TRANSIT GROSS  
RECEIPTS TAX  
(7-20E-23)**

A county that is a member of a regional transit district pursuant to the Regional Transit District Act can impose a maximum county regional transit gross receipts tax of one-half of one percent (.50%). The tax is only imposed on businesses in the district. The tax can be implemented by the adoption of one or more ordinances in tax rate increments of one-sixteenth of one percent (.0625%). Proceeds from the tax must be dedicated for purposes authorized in the Regional Transit District Act. All ordinances, regardless of the tax rate increment, require a joint election by all counties within the district.

**QUALITY OF LIFE GROSS RECEIPTS  
TAX (7-20E-24)**

*Repealed July 1, 2019*

Although no county ever imposed this local option, there was an authorization to impose a quality of life gross receipts tax to fund the promotion and expansion of cultural programs at a maximum rate of one-fourth of one percent (0.25%). Counties were required to enact an ordinance imposing the tax prior to January 1, 2016, in increments of one-sixteenth of one percent (.0625%), and impositions could not last longer than 10 years. Having enacted an ordinance imposing the tax prior to January 1, 2016, the governing body would have been allowed to enact subsequent ordinances for succeeding periods of not more than 10 years. No increment of the quality of life gross receipts tax would have been effective until it was approved in an election by the majority of the voters in the election.

**COUNTY REGIONAL SPACEPORT  
GROSS RECEIPTS TAX**  
(7-20E-25)

The governing body of a county that is a member of a regional spaceport district must, by December 31, 2008, impose by ordinance an excise tax at a rate not to exceed one-half of one percent (.50%) of taxable gross receipts of a person engaging in business in the district area of the county for the privilege of engaging in business. "District" means a regional spaceport district that is a political subdivision of the state created pursuant to the Regional Spaceport District Act. Such a tax may be imposed in increments of not less than one-sixteenth percent, but in total may not exceed the one-half percent limit. The governing body must dedicate at least 75 percent of the proceeds of this tax to the regional spaceport district for the financing, planning, designing, engineering and construction of a spaceport or for projects or services of the district pursuant to the regional spaceport district act. The governing body may dedicate no more than 25 percent of the revenue for spaceport-related projects as approved by resolution of the governing body of the county. All ordinances, regardless of the tax rate increment, require an election.

**COUNTY WATER AND SANITATION  
GROSS RECEIPTS TAX**  
(7-20E-26)

A county that has received an approved resolution from a board of directors of a water and sanitation district must impose the county water and sanitation gross receipts tax. The county water and sanitation gross receipts tax shall be imposed at a rate of one-fourth of one percent (0.25%). The tax is imposed on persons engaged in business in the water and sanitation district. Proceeds can be used for the operation of the water and sanitation district for which the tax was imposed. The tax can be imposed for a maximum of six years and must be approved by a majority of the voters in the district at a special election.

**COUNTY BUSINESS RETENTION  
GROSS RECEIPTS TAX**  
(7-20E-27)  
Repealed July 1, 2019

The county business retention gross receipts tax may only be imposed by a county containing gaming operator licensees that are racetracks (a "racino"). This tax can be imposed in increments of one-sixteenth of one percent (.0625%), up to a maximum of one-fourth of one percent (.25%). The tax is imposed on all persons engaging in business in the county. All ordinances, regardless of the tax rate increment, require an election. The tax can be imposed for no more than five years.

Revenue from the county business retention gross receipts tax will be used to retain local businesses in the county. Counties imposing this tax are required to include the following language in their enacting ordinance:

(1) an amount not to exceed \$750,000 of the money from the county business retention gross receipts tax shall be distributed to the State General Fund to reduce the impact to the State General Fund of gaming tax lost to the state from the county from reduced gaming tax revenue due to decreased economic activity in the county; and

(2) any remaining revenue from the county business retention gross receipts tax shall be distributed back to the county for promotion or administration of the county, instructional or general purposes for a public post-secondary educational institution in the county, capital outlay to expand or relocate a public post-secondary educational institution in the county or funding professional services contracts related to implementing an economic development plan adopted by the government body that shall be updated on an annual basis during the period in which this tax is imposed.

**COUNTY HOLD HARMLESS GROSS  
RECEIPTS TAX**

(7-20E-28)

Repealed July 1, 2019

Counties can impose a maximum county hold harmless gross receipts tax of three-eighths of one percent (.375%) of gross receipts of any person engaging in business in the county for the privilege of engaging in business in the county. The tax can be implemented by adoption of one or more ordinances, in one-eighth increments up to an aggregate rate of three-eighths percent. Proceeds from the tax may be dedicated to a specific purpose or area of county government services, including but not limited to police protection, fire protection, public transportation or street repair and maintenance. No election is required, and voters cannot petition for an election. Any law that imposes or authorizes the imposition of a county hold harmless gross receipts tax or that affects the county hold harmless gross receipts tax, or any supplemental law, shall not be repealed or amended or otherwise directly or indirectly modified in such a manner as to impair adversely any outstanding revenue bonds that may be secured by a pledge of county hold harmless gross receipts tax unless such outstanding revenue bonds have been discharged in full or provision has been fully made.

## AMENDING AN EXISTING ORDINANCE

The only section of a county gross receipts tax ordinance that can be amended is Section 4, the dedication section. Ordinances that have not been repealed are available to amend. The procedures for enacting the ordinance to amend an ordinance and any election requirements are the same as those for enacting the original ordinance. Contact the Department for amending other existing ordinances at [tax.localgov@state.nm.us](mailto:tax.localgov@state.nm.us)

## REPEALING AN EXISTING ORDINANCE

The procedures for enacting an ordinance to repeal an ordinance and any election requirements are the same as those for enacting the original ordinance.

### STEPS TO ENACT AN ORDINANCE

**1. Obtain a copy of the model ordinance from the Department.** A Department model ordinance, after it has been completed, must be adopted as provided. Any other format requires advance approval by the Department. (See sample ordinances on pages 10 through 21.)

**2. Fill out the model ordinance.** Complete Section 1 of the ordinance to indicate the proposed tax rate (.2350%) or amount that is available.

Section 4 should be completed to indicate the specific purpose to which the revenue will be dedicated.

In Section 5 fill in the effective date of either January 1 or July 1, whichever date occurs first after the expiration of at least three months from the date the ordinance is to be delivered or mailed to the Department.

Section 6 is mandatory and must be completed when enacting the:

County hospital emergency gross receipts tax;  
County education gross receipts tax;  
County health care gross receipts tax –

additional  
.0625%;  
County water and sanitation gross receipts tax, and  
County business retention gross receipts tax.

Section 6 is optional and should be completed only if the county wants the ordinance to expire (sunset) on a specific date (either January 1 or July 1) for the following impositions:

Unrestricted County gross receipts tax (amount that is being request);  
Countywide or county area emergency communications and medical services gross receipts tax;  
County regional transit gross receipts tax;  
County regional spaceport gross receipts tax, and

**Counties are strongly encouraged to submit draft ordinances to the Department prior to the ordinance's publication or approval by county officials. Identifying errors in the early stages of the adoption process can prevent complications during later steps and help to ensure the**

**Department's approval of a county's ordinance and timely receipt of associated revenue.**

**3. Publish a notice of the ordinance.** The county gives notice of the proposed ordinance by publishing its title and subject matter at least two weeks prior to consideration of final action by the governing body.

**4. Follow the appropriate election procedure.** See Table 1 for the procedure when a county opts for an election, or if an election is required, (positive referendum). See Table 2 for the procedure when the county opts for a petition (negative referendum) and a valid petition is filed. See Table 3 for the procedure when the county opts for a petition (negative referendum) and no petition is filed or if no election is required. Specific questions concerning the election process should be directed to the NM Association of Counties at (505) 983-2101.

**5. Send the ordinance to the Department.** Mail or deliver a certified copy of the approved ordinance to the Department: 1) within five days after the expiration of the petition period if no petition for referendum is filed, 2) within five days after the election is held and the election results are certified and the ordinance is approved, or 3) within five days from the date the governing body approves the ordinance where no election is required. (If a referendum is held and the electorate does not approve the ordinance, please inform the Department.) Send the ordinance by certified mail, return receipt requested, with a copy of the canvass of the election or a signed statement that no petition for referendum was received or that no election was required to:

Taxation and Revenue Department  
Local Government Liaison  
P. O. Box 630  
Santa Fe, NM 87504-0630

***Failure to notify the Department may result in the Department's taking no action to collect the tax. Failure to notify the Department within the required time may result in a delay of at least six months in the effective date of the tax.***

A county imposing a new county local option or amending or repealing an existing county local option must meet the statutory deadline in Section 7-20E-3. This means that all required action must be completed by the following deadlines:

<u>Deadline Effective Date</u>	
March 31 <sup>st</sup>	July 1 <sup>st</sup>
September 30 <sup>th</sup>	January 1 <sup>st</sup>

**6. Publish the adopted ordinance.** The county clerk publishes the adopted ordinance in its entirety or by title and summary at any time beginning with the day after the electorate approves the ordinance or the petition waiting period expires and ending with the fifth day before the effective date of the ordinance.

**7. Return the survey table to the Department.** Every six months (March and September) the Department sends a survey table (see page 23 for sample survey table) to each county. The survey's main purpose is to confirm the county tax rates. It is important that you respond even if there have been no changes. Please return the completed survey immediately to the attention of the Tax Information and Policy Office at the mailing address provided in Step 5 or via email to [tax.localgov.state.nm.us](mailto:tax.localgov.state.nm.us), with corrections noted and copies of adopted tax ordinances, amended tax ordinances or repealed tax ordinances attached.

**MODEL ORDINANCE - UCGRT - 2019  
Unrestricted County Gross Receipts Tax  
Adopting Tax Increment**

**ORDINANCE NUMBER \_\_\_\_\_  
ADOPTING A COUNTY GROSS RECEIPTS TAX**

BE IT ORDAINED BY THE GOVERNING BODY OF  
(Name of County):

**Section 1. Imposition of Tax.** There is imposed on any person engaging in business in the county, for the privilege of engaging in business in this county, an excise tax equal to (amount being requested) of the gross receipts reported or required to be reported by the person pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts Taxes Act.

**Section 2. General Provisions.** This ordinance hereby adopts by reference all definitions, exemptions and deductions contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

**Section 3. Specific Exemptions.** No first one-eighth of the county gross receipts tax shall be imposed on the gross receipts arising from:

- A. transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county; or
- B. direct broadcast satellite services.

**Section 4. Dedication.** (Description)

**Section 5. Effective Date.** The effective date of the first one-eighth of the county gross receipts tax shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date this ordinance is adopted, unless an election is held on the question of approving the ordinance, in which case the effective date shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance's adoption.

**Section 6. Delayed Repeal.** (Optional) Ordinance Number \_\_\_\_\_ (if it becomes law) is repealed effective \_\_\_\_\_.

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

ATTEST: \_\_\_\_\_

(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

**MODEL ORDINANCE - AMEND - 2019  
County Local Option Gross Receipts Tax  
Amending a Dedication**

**ORDINANCE NUMBER \_\_\_\_\_  
AMENDING THE DEDICATION OF A COUNTY LOCAL  
OPTION  
GROSS RECEIPTS TAX**

BE IT ORDAINED BY THE GOVERNING BODY OF (Name of the county) that Section 4 of Ordinance Number \_\_\_\_\_, effective (date), and imposing (percent of tax) is amended to read:

**Section 4. Dedication.** Revenue from the (type of tax) will be unrestricted:

The effective date of this amendment shall be (January 1 or July 1), whichever date occurs first after the expiration of at least three months from the date this ordinance is delivered or mailed to the Taxation and Revenue Department. \_\_\_\_\_

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

ATTEST: \_\_\_\_\_

(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

**MODEL ORDINANCE - AMEND - 2019  
County Local Option Gross Receipts Tax  
Amending a Delayed Repeal**

ORDINANCE NUMBER \_\_\_\_\_  
AMENDING THE DELAYED REPEAL OF A COUNTY  
LOCAL OPTION GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF (Name of the County) that Section 6 of Ordinance Number \_\_\_\_\_, effective (date), and imposing (percent of tax) is amended to read:

**Section 6. Delayed Repeal. (Optional)** Ordinance Number \_\_\_\_\_ (if it becomes law) is repealed effective - \_\_\_\_\_.

The effective date of this amendment shall be (January 1 or July 1), whichever date occurs first after the expiration of at least three months from the date this ordinance is delivered or mailed to the Taxation and Revenue Department.

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

ATTEST: \_\_\_\_\_

(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

**MODEL ORDINANCE - REPEAL - 2019  
County Local Option Gross Receipts Tax  
Repealing a Tax**

ORDINANCE NUMBER \_\_\_\_\_  
REPEALING A COUNTY LOCAL OPTION  
GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF (Name of the County) that Ordinance Number \_\_\_\_\_, effective (date), and imposing (percent of tax) of (type of tax) shall be repealed effective (January 1 or July 1), whichever date occurs first after the expiration of at least three months from the date this ordinance is delivered or mailed to the Taxation and Revenue Department.

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

ATTEST: \_\_\_\_\_

(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

MODEL ORDINANCE - CHCGRT - 2019  
County Health Care Gross Receipts Tax

ORDINANCE NUMBER \_\_\_\_\_  
ADOPTING A COUNTY HEALTH  
CARE GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF  
(Name of County):

**Section 1. Imposition of Tax.** There is imposed on any person engaging in business in this county for the privilege of engaging in business in this county an excise tax equal to one-sixteenth of one percent (.0625%) of the gross receipts reported or required to be reported by the person pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts Taxes Act as it now exists or as it may be amended and shall be known as the "county health care gross receipts tax."

**Section 2. General Provisions.** This ordinance hereby adopts by reference all definitions, exemptions and deductions contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

**Section 3. Specific Exemptions.** No county health care gross receipts tax shall be imposed on the gross receipts arising from:  
A. transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county; or  
B. direct satellite broadcast services.

**Section 4. Dedication.** Revenue from the county health care gross receipts tax is dedicated to the County-Supported Medicaid Fund.

**Section 5. Effective Date.** The effective date of the county health care gross receipts tax shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date this ordinance is adopted, unless an election is held on the question of approving the ordinance, in which case the effective date shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance's adoption.

**Section 6. Delayed Repeal.** (Optional) Ordinance Number \_\_\_\_\_ (if it becomes law) is repealed effective \_\_\_\_\_.

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.  
ATTEST: \_\_\_\_\_

(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

MODEL ORDINANCE - SCHGRT - 2019  
Special County Hospital Gross Receipts Tax  
Adopting a Tax Increment

ORDINANCE NUMBER \_\_\_\_\_  
ADOPTING A SPECIAL COUNTY HOSPITAL  
GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF  
(Name of County):

**Section 1. Imposition of Tax.** There is imposed on any person engaging in business in this county for the privilege of engaging in business in this county an excise tax equal to one-eighth of one percent (.125%) of the gross receipts reported or required to be reported by the person pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts Taxes Act as it now exists or as it may be amended and shall be known as the "special county hospital gross receipts tax."

**Section 2. General Provisions.** This ordinance hereby adopts by reference all definitions, exemptions and deductions contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

**Section 3. Specific Exemptions.** No special county hospital gross receipts tax shall be imposed on the gross receipts arising from:

- A. transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county; or
- B. direct broadcast satellite services.

**Section 4. Dedication.** Revenue from the special county hospital gross receipts tax is dedicated to finance the current operations and maintenance of a hospital owned and operated by the county or operated and maintained by another party pursuant to a lease with the county in caring for sick and indigent persons and shall be an expenditure for a public purpose (Quay County) or for county ambulance transport costs or for operation of a rural health clinic (Luna County).

**Section 5. Effective Date.** The effective date of the special county hospital gross receipts tax shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance's adoption and the adopted ordinance is delivered or mailed to the Taxation and Revenue Department.

**Section 6. Delayed Repeal (Mandatory)** Ordinance Number \_\_\_\_\_ (if it becomes law) is repealed effective \_\_\_\_\_.

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.  
ATTEST: \_\_\_\_\_

(Signatures of County Clerk and Chairperson of the Board of County Commissioners)



MODEL ORDINANCE - CEDGRT - 2019  
County Education Gross Receipts Tax  
Adopting a Tax Increment

ORDINANCE NUMBER \_\_\_\_\_  
ADOPTING A COUNTY EDUCATION  
GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF  
(Name of County):

**Section 1. Imposition of Tax.** There is imposed on any person engaging in business in this county for the privilege of engaging in business in this county an excise tax equal to one-half of one percent (.50%) of the gross receipts reported or required to be reported by the person pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts Taxes Act as it now exists or as it may be amended and shall be known as the "county education gross receipts tax."

**Section 2. General Provisions.** This ordinance hereby adopts by reference all definitions, exemptions and deductions contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

**Section 3. Specific Exemptions.** No county education gross receipts tax shall be imposed on the gross receipts arising from:

- A. transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county; or
- B. direct broadcast satellite services.

**Section 4. Dedication.** Revenue from the county education gross receipts tax is dedicated for the purpose of:

**Section 5. Effective Date.** The effective date of the county education gross receipts tax shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance's adoption and the adopted ordinance is delivered or mailed to the Taxation and Revenue Department.

**Section 6. Delayed Repeal. (Mandatory)** Ordinance Number \_\_\_\_\_ (if it becomes law) is repealed effective \_\_\_\_\_.

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

ATTEST: \_\_\_\_\_  
(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

MODEL ORDINANCE - CHEGRT - 2019  
County Hospital Emergency Gross Receipts Tax  
Adopting a Tax Increment

ORDINANCE NUMBER \_\_\_\_\_  
ADOPTING A COUNTY HOSPITAL EMERGENCY  
GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF  
(Name of County):

**Section 1. Imposition of Tax.** There is imposed on any person engaging in business in this county for the privilege of engaging in business in this county an excise tax equal to one-fourth of one percent (.25%) of the gross receipts reported or required to be reported by the person pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts Taxes Act as it now exists or as it may be amended and shall be known as the "county hospital emergency gross receipts tax."

**Section 2. General Provisions.** This ordinance hereby adopts by reference all definitions, exemptions and deductions contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

**Section 3. Specific Exemptions.** No county hospital emergency gross receipts tax shall be imposed on the gross receipts arising from:

- A. transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county; or
- B. direct satellite broadcast services.

**Section 4. Dedication.** Revenue from the county hospital emergency gross receipts tax is dedicated to the payment of a bond or loan for acquisition, equipping, remodeling and improvement of a county hospital facility (Sierra County) or county health facility (Hidalgo County).

**Section 5. Effective Date.** The effective date of the county hospital emergency gross receipts tax shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date this ordinance is adopted, unless an election is held on the question of approving the ordinance, in which case the effective date shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance's adoption.

**Section 6. Delayed Repeal. (Mandatory)** Ordinance Number \_\_\_\_\_ (if it becomes law) is repealed effective \_\_\_\_\_.

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

ATTEST: \_\_\_\_\_  
(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

MODEL ORDINANCE – CAECEMST - 2019  
County Area Emergency Communications and Emergency  
Medical and  
Behavioral Health Services Tax  
Adopting a Tax Increment

ORDINANCE NUMBER \_\_\_\_\_  
ADOPTING A COUNTY AREA EMERGENCY  
COMMUNICATIONS AND EMERGENCY MEDICAL AND  
BEHAVIORAL HEALTH SERVICES TAX

BE IT ORDAINED BY THE GOVERNING BODY OF  
\_\_\_\_\_  
(Name of County) :

**Section 1. Imposition of Tax.** There is imposed on any person engaging in business in the county area outside of the boundaries of incorporated municipalities for the privilege of engaging in business in the county area, an excise tax equal to [one-sixteenth of one percent (.0625%), one-eighth of one percent (.125%), three-sixteenths of one percent (.1875%), or one-fourth of one percent (.25%)] of the gross receipts reported or required to be reported by the person pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts Taxes Act as it now exists or as it may be amended and shall be known as the "county area emergency communications and emergency medical and behavioral health services tax."

**Section 2. General Provisions.** This ordinance hereby adopts by reference all definitions, exemptions and deductions contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

**Section 3. Specific Exemptions.** No county area emergency communications and emergency medical and behavioral health services tax shall be imposed on the gross receipts arising from:

- A. transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county;
- B. direct broadcast satellite services.

**Section 4. Dedication.** Revenue from the county area emergency communications and emergency medical and behavioral health services tax shall be dedicated to any of the following purposes:

- 1. operation of an emergency communications center that has been determined by the Local Government Division of the Department of Finance and Administration to be a consolidated public safety answering point; or
- 2. operation of emergency medical services provided by the county; or
- 3. operation or the contracting for the operation of a behavioral health service facility providing alcohol abuse, substance abuse and inpatient and outpatient behavioral health treatment.

**Section 5. Effective Date.** The effective date of the county area emergency communications and emergency medical and behavioral health services tax shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance's adoption and the adopted ordinance is delivered or mailed to the Taxation and Revenue Department.

**Section 6. Delayed Repeal.** (Optional) Ordinance Number \_\_\_\_\_ (if it becomes law) is repealed effective \_\_\_\_\_.

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.  
ATTEST: \_\_\_\_\_  
(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

MODEL ORDINANCE – CWCEMST - 2019  
Countywide Emergency Communications and Emergency Medical  
and Behavioral Health Services Tax  
Adopting a Tax Increment

ORDINANCE NUMBER \_\_\_\_\_  
ADOPTING A COUNTYWIDE EMERGENCY  
COMMUNICATIONS AND EMERGENCY MEDICAL AND  
BEHAVIORAL HEALTH SERVICES TAX

BE IT ORDAINED BY THE GOVERNING BODY OF  
\_\_\_\_\_  
(Name of County) :

**Section 1. Imposition of Tax.** There is imposed on any person engaging in business in the county for the privilege of engaging in business in the county an excise tax equal to [one-sixteenth of one percent (.0625%), one-eighth of one percent (.125%), three-sixteenths of one percent (.1875%), or one-fourth of one percent (.25%)] of the gross receipts reported or required to be reported by the person pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts Taxes Act as it now exists or as it may be amended and shall be known as the "countywide emergency communications and emergency medical and behavioral health services tax."

**Section 2. General Provisions.** This ordinance hereby adopts by reference all definitions, exemptions and deductions contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

**Section 3. Specific Exemptions.** No countywide emergency communications and emergency medical and behavioral health services tax shall be imposed on the gross receipts arising from:

- A. transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county;
- B. direct broadcast satellite services.

**Section 4. Dedication.** Revenue from the countywide emergency communications and emergency medical services tax shall be dedicated to any of the following purposes:

- 1. operation of an emergency communications center that has been determined by the Local Government Division of the Department of Finance and Administration to be a consolidated public safety answering point; or
- 2. operation of emergency medical services provided by the county; or
- 3. behavioral health services.

**Section 5. Effective Date.** The effective date of the countywide emergency communications and emergency medical services tax shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance's adoption and the adopted ordinance is delivered or mailed to the Taxation and Revenue Department.

**Section 6. Delayed Repeal.** (Optional) Ordinance Number \_\_\_\_\_ (if it becomes law) is repealed effective \_\_\_\_\_.

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

ATTEST: \_\_\_\_\_  
(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

MODEL ORDINANCE – CSGRT - 2019  
County Regional Spaceport Gross Receipts Tax  
Adopting a Tax Increment

ORDINANCE NUMBER \_\_\_\_\_  
ADOPTING A COUNTY REGIONAL SPACEPORT  
GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF  
(Name of County):

**Section 1. Imposition of Tax.** There is imposed on any person engaging in business in the district area of the county, for the privilege of engaging in business in this county, an excise tax equal to [one-sixteenth of one percent (.0625%), one-eighth of one percent (.125%), three-sixteenths of one percent (.1875%), one-fourth of one percent (.25%), five-sixteenths of one percent (.3125%), six-sixteenths of one percent (.375%), seven-sixteenths of one percent (.4375%) or one-half of one percent (.50%)] of the gross receipts reported or required to be reported by the person pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts Taxes Act as it now exists or as it may be amended and shall be known as the "the county regional spaceport gross receipts tax."

**Section 2. General Provisions.** This ordinance hereby adopts by reference all definitions, exemptions and deductions contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

**Section 3. Specific Exemptions.** No county regional spaceport gross receipts tax shall be imposed on the gross receipts arising from:

- A. transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county; or
- B. direct broadcast satellite services.

**Section 4. Dedication.** Revenue from the county regional spaceport gross receipts tax will be used for the purpose(s) listed below:

The governing body must dedicate at least 75% of the proceeds of this tax to the regional spaceport district for the financing, planning, designing, engineering and construction of a spaceport or for projects or services of the district pursuant to the Regional Spaceport District Act. The governing body may dedicate no more than 25% of the revenue for spaceport-related projects as approved by resolution of the governing body of the county.

**Section 5. Effective Date.** The effective date of the county regional spaceport gross receipts tax shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance's adoption and the adopted ordinance is delivered or mailed to the Taxation and Revenue Department.

**Section 6. Delayed Repeal.** (Optional) Ordinance Number \_\_\_\_\_ (if it becomes law) is repealed effective \_\_\_\_\_.

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

ATTEST: \_\_\_\_\_

(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

MODEL ORDINANCE - CRTGRT - 2019  
County Regional Transit Gross Receipts Tax  
Adopting a Tax Increment

ORDINANCE NUMBER \_\_\_\_\_  
ADOPTING A COUNTY REGIONAL TRANSIT  
GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF  
(Name of County):

**Section 1. Imposition of Tax.** There is imposed on any person engaging in business in this county for the privilege of engaging in business in this county an excise tax equal to [one-sixteenth of one percent (.0625%), one-eighth of one percent (.125%), three-sixteenths of one percent (.1875%), one-fourth of one percent (.25%), five-sixteenths of one percent (.3125%), six-sixteenths of one percent (.375%), seven-sixteenths of one percent (.4375%), or one-half of one percent (.50)] of the gross receipts reported or required to be reported by the person pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts Taxes Act as it now exists or as it may be amended and shall be known as the "county regional transit gross receipts tax."

**Section 2. General Provisions.** This ordinance hereby adopts by reference all definitions, exemptions and deductions contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

**Section 3. Specific Exemptions.** No county regional transit gross receipts tax shall be imposed on the gross receipts arising from:

- A. transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county;

- B. direct broadcast satellite services.

**Section 4. Dedication.** Revenue from the county regional transit gross receipts tax will be used for the management, construction or operation of a public transit system or for specific public transit projects or services of the district pursuant to the Regional Transit District Act

**Section 5. Effective Date.** The effective date of the county regional transit gross receipts tax shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance's adoption and the adopted ordinance is delivered or mailed to the Taxation and Revenue Department.

**Section 6. Delayed Repeal.** (Optional) Ordinance Number \_\_\_\_\_ (if it becomes law) is repealed effective (date).

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

ATTEST: \_\_\_\_\_

(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

**MODEL ORDINANCE - SCHGRT - 2019  
Special County Hospital Gross Receipts Tax  
Adopting a Tax Increment**

**ORDINANCE NUMBER \_\_\_\_\_  
ADOPTING A SPECIAL COUNTY HOSPITAL  
GROSS RECEIPTS TAX**

BE IT ORDAINED BY THE GOVERNING BODY OF  
(Name of County):

**Section 1. Imposition of Tax.** There is imposed on any person engaging in business in this county for the privilege of engaging in business in this county an excise tax equal to one-eighth of one percent (.125%) of the gross receipts reported or required to be reported by the person pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts Taxes Act as it now exists or as it may be amended and shall be known as the "special county hospital gross receipts tax."

**Section 2. General Provisions.** This ordinance hereby adopts by reference all definitions, exemptions and deductions contained in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

**Section 3. Specific Exemptions.** No special county hospital gross receipts tax shall be imposed on the gross receipts arising from:

- A. transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the county to another point outside the county; or
- B. direct broadcast satellite services.

**Section 4. Dedication.** Revenue from the special county hospital gross receipts tax is dedicated to finance the current operations and maintenance of a hospital owned and operated by the county or operated and maintained by another party pursuant to a lease with the county in caring for sick and indigent persons and shall be an expenditure for a public purpose (Quay County) or for county ambulance transport costs or for operation of a rural health clinic (Luna County).

**Section 5. Effective Date.** The effective date of the special county hospital gross receipts tax shall be either January 1 or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance's adoption and the adopted ordinance is delivered or mailed to the Taxation and Revenue Department.

**Section 6. Delayed Repeal (Mandatory)** Ordinance Number \_\_\_\_\_ (if it becomes law) is repealed effective \_\_\_\_\_.

ADOPTED BY THE GOVERNING BODY OF \_\_\_\_\_  
THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

ATTEST: \_\_\_\_\_  
(Signatures of County Clerk and Chairperson of the Board of County Commissioners)

**POINTS TO REMEMBER**

1. To be effective on July 1, all action necessary to adopt an ordinance imposing a tax must be completed on or before the last day of March of that year.
2. To be effective on January 1, all action necessary to adopt an ordinance imposing a tax must be completed on or before the last day of September of the previous year.
3. Actions necessary to adopt the ordinance include, completion of required petition periods, notification that no petition was filed, elections held and notifying the Taxation and Revenue Department of election results.
4. Failure to adopt the ordinance using the *model ordinance* furnished by the Taxation and Revenue Department will invalidate any ordinance adopted that imposes any county local option gross receipts tax.
5. If an election is held and the electorate fails to approve the proposed ordinance, amendment or repeal, the county must wait one year from the election date before attempting to impose, amend or repeal the increment of tax again.
6. Failure to submit a certified copy of the ordinance to the Taxation and Revenue Department within 5 days after the ordinance is adopted may result in the loss of the revenue for at least six months.
7. The Tax Information and Policy Office of the Taxation and Revenue Department can assist and advise you concerning the adoption of any county gross receipts tax ordinance. Please visit our website at <http://www.tax.newmexico.gov/Government/local-option-taxes.aspx> or call (505) 827-2588. Questions concerning the election process should be directed to the Information Services Division of the New Mexico Association of Counties at (505) 983- 2101.

**TABLE OF ENACTMENT DATES – COUNTY GROSS RECEIPTS TAXES**

The Table of Enactment Dates on the following page should be used by the county to keep a record of each ordinance enacted. The Taxation and Revenue Department will send a survey table to each county every six months asking for this information. Please feel free to copy this table for your use.

**TABLE OF ENACTMENT DATES – COUNTY LOCAL OPTION GROSS RECEIPTS TAXES**

COUNTY: \_\_\_\_\_

COUNTY CODE \_\_\_\_\_

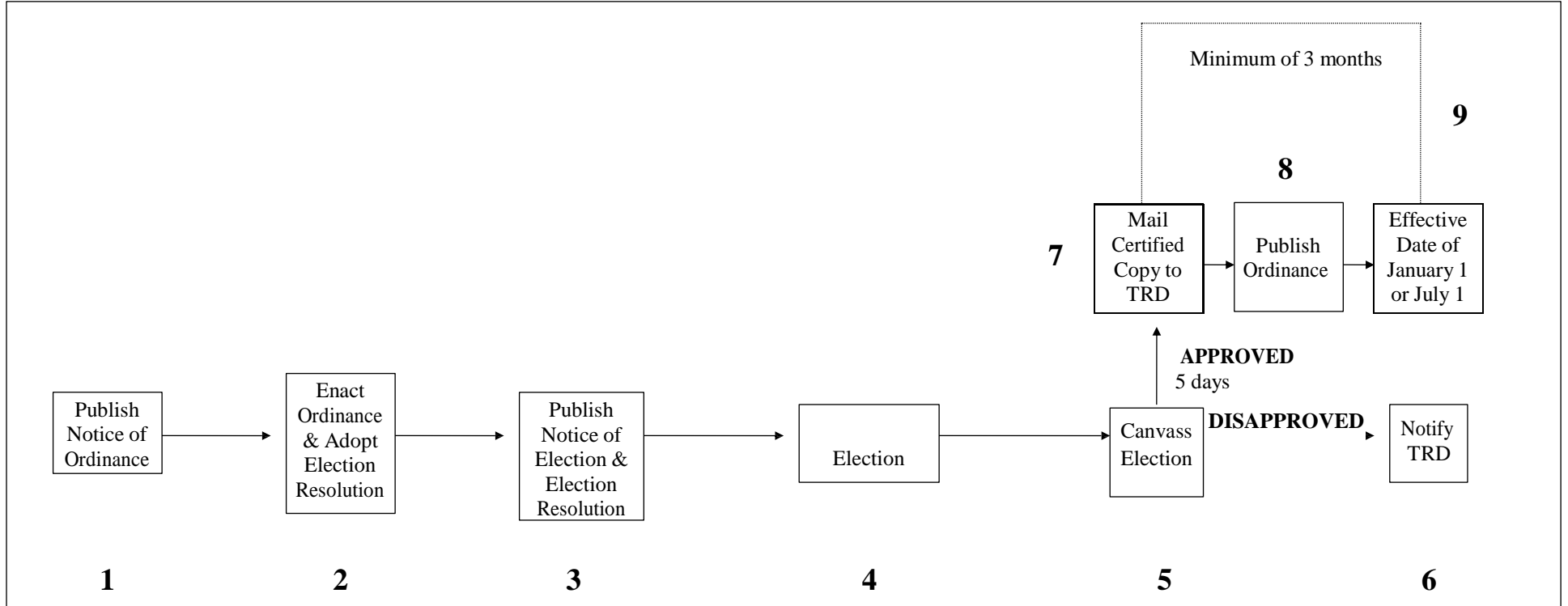
DATE: \_\_\_\_\_

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

Type of Tax	Ordinance Number	Effective Date	Dedication	Sunset or Amendment Date	Rate
County Gross Receipts – 1 <sup>st</sup> 1/8%					
County Gross Receipts – 2 <sup>nd</sup> 1/8%					
County Gross Receipts – 3 <sup>rd</sup> 1/8%					
County Gross Receipts – 1/16%					
County Infrastructure Gross Receipts – 1 <sup>st</sup> 1/16%					
County Infrastructure Gross Receipts – 2 <sup>nd</sup> 1/16%					
County Capital Outlay Gross Receipts					
County Fire Protection Excise					
County Environmental Services Gross Receipts					
County Health Care Gross Receipts					
Special County Hospital Gross Receipts					
County Emergency Gross Receipts					
County Correctional Facilities Gross Receipts					
Local Hospital Gross Receipts					
County Hospital Emergency Gross Receipts					
County Education Gross Receipts					
Countywide/County Area Emergency Communications & Emergency Medical & Behavioral Health Services					
County Regional Transit Gross Receipts					
County Regional Spaceport Gross Receipts					
County Water and Sanitation Gross Receipts					
County Business Retention Gross Receipts Tax					
County Hold Harmless Gross Receipts Tax					
Total County Gross Receipts Tax Rate					
State Gross Receipts Tax Rate					5.125%
Total Combined Rate of all Ordinances Including State Gross Receipts Tax Rate					

COUNTY GROSS RECEIPTS TAX RATE FOR THE MUNICIPALITIES WITHIN COUNTY: \_\_\_\_\_   Correct  Incorrect

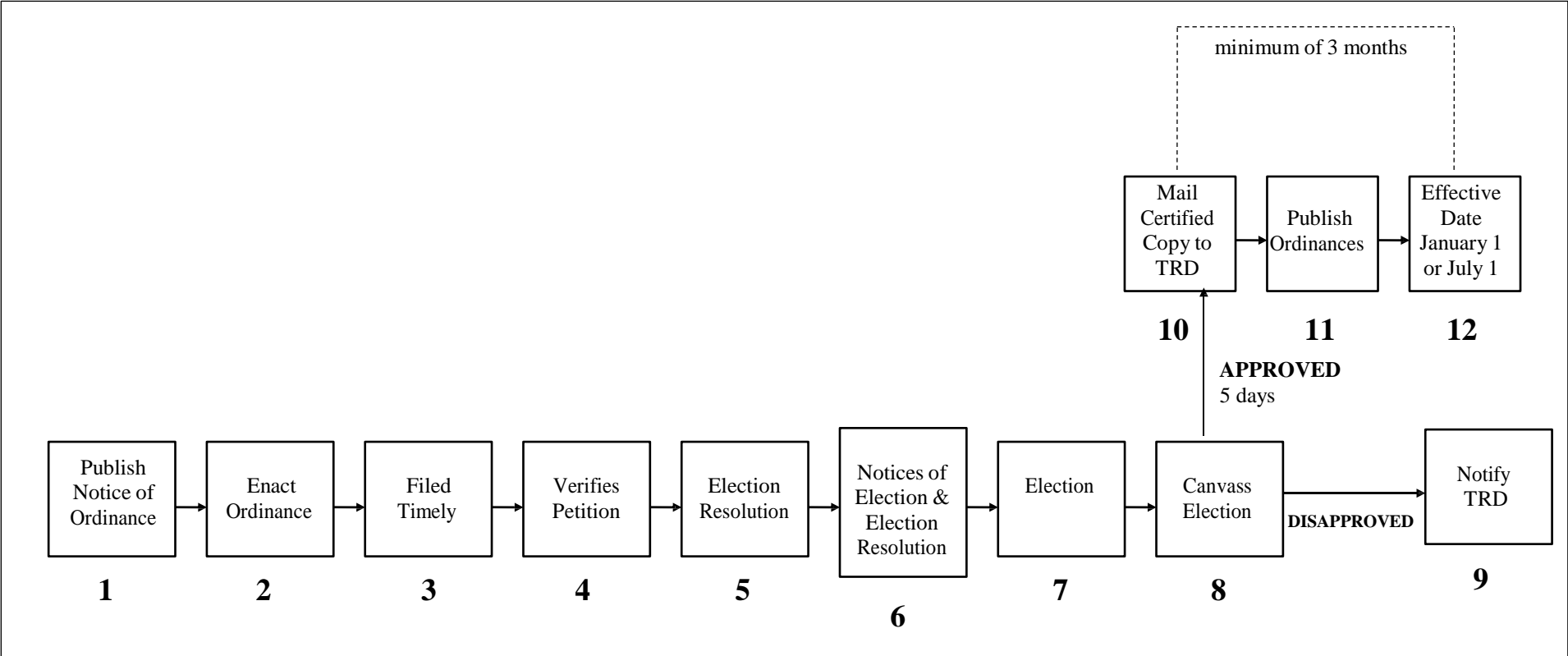
TABLE 1  
ELECTION PROCESS  
**COUNTY LOCAL OPTION GROSS RECEIPTS TAXES**  
County Opts for Election (Positive Referendum)



### ELECTION PROCESS

1. The county gives notice of the proposed ordinance by publishing its title and subject matter at least two weeks prior to consideration of the ordinance by the governing body.
2. The governing body enacts the ordinance and adopts a resolution calling for an election. **The model ordinance provided by the Taxation and Revenue Department, which includes an election certification, must be adopted verbatim.**
3. The county clerk publishes the notice of election.
4. The county clerk conducts the election.
5. The county clerk canvasses and certifies the election results.
6. The county must notify the Taxation and Revenue Department if the ordinance is disapproved by the electorate, or proceed with step 7.
7. The county sends a certified copy of the approved ordinance to the Taxation and Revenue Department within 5 days after the election results are certified. The copy should be sent by certified mail, return receipt requested, or hand delivered to the Department. The county must keep a copy of the ordinance for its official records. **Failure to deliver a certified copy to the Department may result in the Department's taking no action to collect the tax and a delay of at least six (6) months of the expected revenue.**
8. The county publishes the adopted ordinance in its entirety or by title and summary.
9. The ordinance becomes effective January 1 or July 1.

TABLE 2  
 PETITION PROCESS  
**COUNTY LOCAL OPTION GROSS RECEIPTS TAXES**  
 County Opts for Petition (Negative Referendum) and **VALID PETITION IS FILED** by the End of a Petition Period

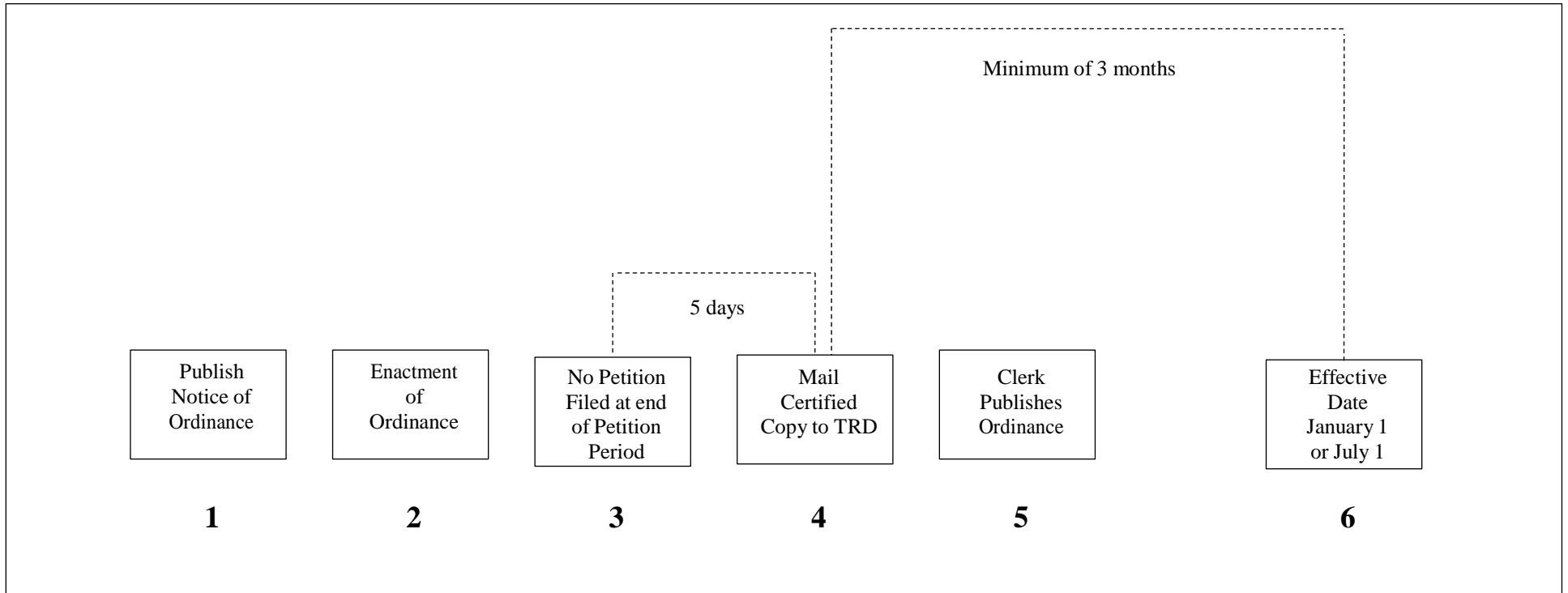


**PETITION FILED**

1. The county gives notice of the proposed ordinance by publishing its title and subject matter at least two weeks prior to consideration of the ordinance by the governing body.
2. The governing body enacts the ordinance. **The model ordinance provided by the Taxation and Revenue Department, which includes an election certification, must be adopted *verbatim*.**
3. Registered voters file with the county clerk a valid petition calling for a referendum.
4. The county clerk verifies the petition. To be valid it must contain the signatures of 5% of the registered voters in the county who were registered to vote in the most recent general election.
5. The governing body adopts a resolution calling for an election.
6. The county clerk publishes the notice of election.
7. The county clerk conducts the election.
8. The county clerk canvasses and certifies the election results.
9. The county must notify the Taxation and Revenue Department if the ordinance is disapproved by the electorate, or proceed with step 10.
10. The county sends a certified copy of the approved ordinance to the Taxation and Revenue Department within 5 days after the election results are certified. The copy should be sent by certified mail, return receipt requested, or hand delivered to the Department. The county must keep a copy of the ordinance for its official records. ***Failure to deliver a certified copy to the Department may result in the Department's taking no action to collect the tax and a delay of at least six (6) months of the expected revenue.***
11. The county publishes the adopted ordinance in its entirety or by title and summary.
12. The ordinance becomes effective January 1 or July 1.



TABLE 3  
 PETITION PROCESS  
**COUNTY LOCAL OPTION GROSS RECEIPTS TAXES**  
 County Opts for Petition (Negative Referendum) and **NO PETITION IS FILED** by the End of a Petition Period



**NO PETITION FILED**

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. The county gives notice of the proposed ordinance by publishing its title and subject matter at least two weeks prior to consideration of the ordinance by the governing body.</li> <li>2. The governing body enacts the ordinance. <b>The model ordinance provided by the Taxation and Revenue Department, which includes an election certification, must be adopted <i>verbatim</i>.</b></li> <li>3. Voters do not file a petition calling for a referendum.</li> <li>4. The county sends a certified copy of the approved ordinance to the Taxation and Revenue Department</li> </ol> | <ol style="list-style-type: none"> <li>4. within 5 days. The copy should be sent by certified mail, return receipt requested, or hand delivered to the Department. The county must keep a copy of the ordinance for its official records. <b><i>Failure to deliver a certified copy to the Department may result in the Department's taking no action to collect the tax and a delay of at least six (6) months of the expected revenue.</i></b> The county must provide a written statement that it did not receive a valid petition for referendum.</li> <li>5. The county publishes the adopted ordinance in its entirety or by title and summary.</li> <li>6. The ordinance becomes effective January 1 or July 1.</li> </ol> |
|--|---|