

ARTICLE 2. TAXATION

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§ 8.2.1 IMPOSITION OF TAX

(A) **GROSS RECEIPTS TAX.** There is imposed on any person engaging in business in this municipality for the privilege of engaging in business in this municipality an excise tax, known as the Village Gross Receipts Tax, equal to 1 percent (1%) 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.

(B) **MUNICIPAL INFRASTRUCTURE GROSS RECEIPTS TAX.** There is imposed on any person engaging in business in this municipality for the privilege of engaging in business in this municipality 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 Article is pursuant to the Municipal Local Option Gross Receipts Taxes Act as it now exists or as it may be amended and shall be known as the “municipal infrastructure gross receipts tax.”

§ 8.2.2 GENERAL PROVISIONS

This Article hereby adopts by reference all definitions, exemptions and deductions contained in the New Mexico Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

§ 8.2.3 SPECIFIC EXEMPTIONS

(A) No municipal gross receipts tax shall be imposed on the gross receipts arising from:

- (1) The transmission of messages by wire or other means from one point within the municipality to another point outside the municipality;
- (2) Transporting persons or property for hire by railroad, motor vehicle, air transportation or any other means from one point within the municipality to another point outside the municipality; or
- (3) A business located outside the boundaries of a municipality on land owned by that municipality for which a gross receipts tax distribution is made pursuant to Subsection C of § 7-1-6.4 NMSA 1978.

§ 8.2.4 DEDICATION

(A) **GROSS RECEIPTS TAX.** Revenue from the municipal gross receipts tax will be used for the General Fund.

(B) **MUNICIPAL INFRASTRUCTURE GROSS RECEIPTS TAX.** Revenue from the municipal infrastructure gross receipts tax will be used for municipal general purposes.



§ 8.2.5 EFFECTIVE DATE

The effective date of the municipal infrastructure gross receipts tax shall be either 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.

Ordinance and State Law References regarding Chapter 8, Article 2 (f/k/a Chapter 28):

Ordinance #10, August 2, 1961;

Ordinance #35, July 5, 1978;

Ordinance #42, July 8, 1981;

Ordinance #73, June 23, 1988;

Ordinance #75, August 10, 1988, Repeals Ordinance No.s 10, 73, 42 and 35;

Ordinance #94, July 11, 1990, Delayed Repeal of Ordinance No. 75;

Ordinance #110, September 22, 1993, Repealing Ordinance Number #94;

Ordinance #114, December 8, 1993, Repealing Ordinance #110, leaving Ordinance #94 in effect;

Ordinance #115, December 8, 1993, adopted a municipal infrastructure gross receipts tax;

Ordinance #134, enacted Feb. 14, 1996, codified Ordinances #94 and #115 as Chapter 28;

Receipts; disbursements; funds created, § 7-1-6 NMSA 1978;

Gross Receipts and Compensating Tax Act § 7-9-1, *et seq.*, NMSA 1978;

Supplemental Municipal Gross Receipts Tax § 7-19-10, *et seq.*, NMSA 1978;

Municipal Local Option Gross Receipts Taxes § 7-19D-1, *et seq.*, NMSA 1978;

Municipal gross receipts tax; authority to impose rate, § 7-19D-9(D) NMSA 1978;

Municipal Infrastructure Gross Receipts Tax, § 7-19D-11 NMSA 1978.

