

**CITY of ALBUQUERQUE  
TWENTY FIFTH COUNCIL**

COUNCIL BILL NO.     C/S O-22-1     ENACTMENT NO. \_\_\_\_\_

SPONSORED BY:     DAN LEWIS

1                                    ORDINANCE  
2    AMENDING ENACTMENT NO. O-2018-001 (COUNCIL BILL NO. O-18-9) TO  
3    RESCIND ONE EIGHTH OF ONE PERCENT (.125%) OF THE OVERALL THREE  
4    EIGHTHS OF ONE PERCENT (.375%) GROSS RECEIPTS TAX  
5    IMPOSED THEREBY

6            WHEREAS, On March 5, 2018 Albuquerque City Council adopted a three  
7    eighths of one percent (.375%) Gross Receipts Tax (the “2018 Increment”);  
8    and

9            WHEREAS, as of Fiscal Year 2021, the receipts generated by the 2018  
10   Increment have transitioned from the required 60% Public Safety focus, to  
11   being available to support the City’s general operating fund; and

12           WHEREAS, notwithstanding the economic challenges faced by the City and  
13   our community during the COVID-19 pandemic, with support from the Federal  
14   Government, the City has managed to evade layoffs and other financial  
15   hardships and appears well positioned to continue to fund critical services;  
16   and

17           WHEREAS, given that the initial public safety purpose of the tax has now  
18   sunset, and given the relatively strong fiscal footing of the City going forward,  
19   the City should repeal the 2018 Increment as a way to assist consumers and  
20   businesses; and

21           WHEREAS, to the extent the City has future revenue needs it should first  
22   examine the efficiency and priority of its services and programs as a first  
23   measure of fiscal accountability; now

24           BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY  
25   OF ALBUQUERQUE:

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1 SECTION 1. Enactment No. O-2018-001 (Council Bill No. O-18-9), effective  
2 March 5, 2018, is amended to rescind one eighth of one percent (.125%) of the  
3 overall three eighths of one percent (.375%) Municipal Hold Harmless Gross  
4 Receipts Tax imposed thereby. This change becomes effective on July 1,  
5 2022, resulting in a one quarter of one percent (.25%) Municipal Hold Harmless  
6 Gross Receipts Tax thereafter.

7 SECTION 2. Sections 4-3-9-1 through 5, ROA 1994, are amended as  
8 followed:

9 "PART 9: MUNICIPAL HOLD HARMLESS GROSS RECEIPTS TAX

10 § 4-3-9-1 IMPOSITION OF TAX.

11 There is imposed on any person engaging in business in this municipality  
12 for the privilege of engaging in business in this municipality an excise tax  
13 equal to ~~[three eighths of one percent (.375%)~~ one fourth of one percent  
14 (.25%) of the gross receipts reported or required to be reported by the person  
15 pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it  
16 now exists or as it may be amended. The tax imposed under this section is  
17 pursuant to the Municipal Local Option Gross Receipts Taxes Act as it ~~[now~~  
18 ~~exists or as it may be amended~~ existed at the time of origination and shall be  
19 known as the "municipal hold harmless gross receipts tax."

20 § 4-3-9-2 GENERAL PROVISIONS.

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

24 § 4-3-9-3 SPECIFIC EXEMPTIONS.

25 No municipal hold harmless gross receipts tax shall be imposed on the  
26 gross receipts arising from:

27 (A) Transporting persons or property for hire by railroad, motor vehicle,  
28 air transportation or any other means from one point within the municipality to  
29 another point outside the municipality;

30 (B) A business located outside the boundaries of a municipality on land  
31 owned by that municipality for which a state gross receipts tax distribution is  
32 made pursuant to Section 7-1-6.4(C) NMSA 1978; or

33 (C) Direct broadcast satellite services.

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1 § 4-3-9-4 DEDICATION.

2 Revenue from the municipal hold harmless gross receipts tax will be used  
3 for the purposes listed below:

4 (A) In fiscal years [~~2019 and 2020~~ 2023 through 2028] no less than 60%  
5 of the tax receipts shall be used for the city's Public Safety Budget Goal  
6 Priorities[, and thereafter for general purpose].

7 (B) [~~General municipal purposes~~ In fiscal years 2023 through 2028 no  
8 less than 40% of the tax receipts shall be used toward addressing  
9 homelessness and affordable housing, and thereafter for general purpose].”

10 § 4-3-9-5 EFFECTIVE DATE.

11 The effective date of the municipal hold harmless gross receipts tax shall  
12 be July 1, 20[~~18~~22].”

13 SECTION 2. A certified copy of this Ordinance shall be provided to the  
14 Taxation and Revenue Department within five (5) days after the date this  
15 Ordinance is enacted.

16 SECTION 3. COMPILATION. The ordinance amendment prescribed by  
17 SECTION 1 shall amend, be incorporated in, and be made part of the Revised  
18 Ordinances of Albuquerque, New Mexico 1994.

19 SECTION 4. EFFECTIVE DATE. Pursuant to NMSA 1978, Section 7-19D-3,  
20 this Ordinance shall be effective on July 1, 2022.