CITY of ALBUQUERQUE TWENTY-FIRST COUNCIL

COUNCIL	BILL NO. O-14-14 ENACTMENT NO.
SPONSO	RED BY: Klarissa Peña and Ken Sanchez
1	ORDINANCE
2	IMPOSING AN EXCISE TAX EQUAL TO ONE-EIGHTH OF ONE PERCENT
3	(0.125%) OF GROSS RECEIPTS TO BE USED FOR THE PURPOSE OF FUNDING
4	ESSENTIAL SERVICES.
5	BE IT ORDAINED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF
6	ALBUQUERQUE:
7	Section 1. NAME. The municipal gross receipts tax shall be known
8	popularly as the "Essential Services Tax."
9	Section 2. IMPOSITION OF TAX. There is imposed on any person
<u>5</u> 5 10	engaging in business in this municipality, for the privilege of engaging in
trikethrough Material-] - Deletion trikethrough Material-] - Deletion trikethrough Material-] - Deletion trikethrough Material-	business in this municipality, an excise tax equal to one-eighth of one percent
₊ 12	(0.125%) of the gross receipts reported or required to be reported by the person
trikethrough Material-]	pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it
14	now exists or as it may be amended. The tax imposed under this Ordinance is
15	pursuant to the Municipal Gross Receipts Tax Act, as it now exists or is
2 16	amended, and shall be known as the "Municipal Gross Receipts Tax."
17	Section 3. GENERAL PROVISIONS. This Ordinance hereby adopts by
五 五 3 1 8	reference all definitions, exemptions and deductions contained in the Gross
-Bracketed/Si	Receipts and Compensating Tax Act as it now exists or as it may be amended.
20	Section 4. SPECIFIC EXEMPTIONS. No municipal gross receipts tax shall
<u>+</u>	be imposed on the gross receipts arising from:
22	(A) Transporting persons or property for hire by railroad, motor
23	vehicle, air transportation, or any other means from one point within the
24	municipality to another point outside the municipality; or

- (B) A business located outside the boundaries of a municipality on land owned by that municipality for which a state gross receipts tax distribution is made pursuant to Section 7-1-6.4C NMSA 1978; or
 - (C) Direct broadcast satellite services.
 - Section 5. DEDICATION. Revenue from the Essential Services Tax will be used for the following two purposes:
 - A. 50% for the purpose of providing funding for accessible inpatient and outpatient mental health services, services related to homelessness, the developmentally disabled, substance abuse and at-risk populations; and
 - B. 50% for the purpose of planning, designing, constructing, extending, enlarging, purchasing, furnishing, equipping or rehabilitating capital improvements for the benefit of the citizens of Albuquerque.
 - C. The portion of the revenue of the Essential Services Tax referred to in Subsection B of this Section may be dedicated and pledged to the payment of that amount necessary to pay the principal of, premium, if any, and interest on bonds, notes, other evidences of borrowing and other obligations issued and delivered to finance the capital improvements referred to in Subsection B.
 - D. No portion of the revenues of the Essential Services Tax shall be used to pay for any portion of the salaries or benefits of City employees, other than indirect costs and overhead. No portion of the Essential Services Tax referred to in Subsection A of this Section shall be used to pay for programs already under contract with the City of Albuquerque as of the effective date of this ordinance. The Essential Services Tax may only be used for net new services through new providers or the expansion of services from existing providers.
 - E. Along with each year's proposed appropriation of Essential Services Tax, the Administration shall provide the City Council with a report on the collections and expenditures of the Tax which shall include, at a minimum, the following information:

- An accounting of the total tax collected life to date with actual appropriations life to date, as well as an accounting of the tax projects to be collected during the current fiscal year;
 - 2. A reconciliation of the total tax collected life to date with actual appropriations life to date, by category (essential services, capital improvements);
 - 3. A listing of all contracts and services provided pursuant to Subsection A of this Section, and a listing of all projects funded pursuant to Subsection B of this Section.
 - 4. An updated list of all contracts and projects proposed to be funded from the Essential Services Tax.
- Section 6. EFFECTIVE DATE OF TAX. The effective date of the Municipal Gross Receipts Tax imposed by this ordinance shall be January 1, 2015.
- Section 7. SEVERABILITY CLAUSE. If any section, paragraph, sentence, clause, word or phrase of this ordinance is for any reason held to be invalid or unenforceable by any court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this ordinance. The Council hereby declares that it would have passed this ordinance and each section, paragraph, sentence, clause, word or phrase thereof irrespective of any provision being declared unconstitutional or otherwise invalid.
- Section 8. COMPILATION. This ordinance shall be incorporated in and made part of the Revised Ordinances of Albuquerque, New Mexico, 1994.
- Section 9. EFFECTIVE DATE. The effective date of this Ordinance shall be five days after publication in full.

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