

**COPY OF ORDINANCE TO BE INTRODUCED
CITY OF RATON, NEW MEXICO**

ORDINANCE NO. _____

**AN ORDINANCE ADOPTING A SUPPLEMENTAL MUNICIPAL GROSS RECEIPTS TAX;
PROVIDING FOR AN ELECTION; REPEALING ORDINANCES IN CONFLICT HEREWITH**

**BE IT ORDAINED BY THE GOVERNING BODY (THE CITY COMMISSION) OF THE
CITY OF RATON, NEW MEXICO:**

Section 1. Imposition of 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 three-fourth of one percent (.75%) 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 is amended. The tax imposed under this ordinance is pursuant to the Supplemental Municipal Gross Receipts Tax Act as it now exists or is amended and shall be known as the "supplemental gross receipts tax."

Section 2. Specific Exemptions. No supplemental 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 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 gross receipts tax distribution is made pursuant to Section 7-1-6.4, NMSA 1978.

Section 3. Dedication. The proceeds from the supplemental municipal gross receipts tax shall be deposited in a special improvement account of the municipality and used only for:

- 1. the payment of principal of, interest on, any prior redemption premiums due in connection with and other expenses related to supplemental municipal gross receipts bonds issued pursuant to the Supplemental Municipal Gross Receipts Tax Act;
- 2. the funding of any reserves and other accounts in connection with such bonds;
- 3. refunding bonds; and
- 4. to the extent not needed for those purposes, the improvement of the municipality's water system.

Section 4. Effective Date. The effective date of the Supplemental Municipal Gross Receipts Tax Ordinance shall be January 1, 2019 (being the January 1 or July 1 which occurs first after the expiration of five months from the date of the election held as provided in Section 5 hereof), provided that the two questions listed in Section 5 hereof submitted at said election are approved by the electors voting thereon.

Section 5. Election. Pursuant to the Supplemental Municipal Gross Receipts Tax Act, Sections 7-19-10 to 7-19-18, NMSA 1978, an election shall be held on March 6, 2018 in the City of Raton on the question of imposing a supplemental gross receipts tax and on the question of issuing supplemental gross receipts tax bonds as provided in said Act.

Section 6. Severability. If any section, paragraph, clause, or provision shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this ordinance.

Section 7. Repealer Clause. All ordinances or parts of ordinances inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance to revive any ordinance or part of any ordinance heretofore repealed.

Section 8. General Summary for Publication. Pursuant to Section 3-17-5, NMSA 1978, as amended, the title and a general summary of the subject matter contained in this ordinance shall be published in the following form in the World Journal, a newspaper which maintains an office in and is in general circulation in the Municipality, in accordance with law:

CITY OF RATON, NEW MEXICO

NOTICE OF ADOPTION OF ORDINANCE NO. _____

NOTICE IS HEREBY GIVEN of the title and of a general summary of the subject matter contained in Ordinance No. ____ duly adopted and approved by the City Commission of the City of Raton, New Mexico, on _____. A complete copy of Ordinance No. ____ is available for public inspection during the normal and regular business hours of the City Clerk in the office of the City Clerk, City Hall, 224 Savage Avenue, Raton, New Mexico.

The title and subject matter of such proposed ordinance are as follows:

AN ORDINANCE ADOPTING A SUPPLEMENTAL MUNICIPAL GROSS RECEIPTS TAX; PROVIDING FOR AN ELECTION; REPEALING ORDINANCES IN CONFLICT HEREWITH.

The following is a general summary of the subject of Ordinance No. ____:

Sections 1 and 2 provide for the imposition of a supplemental gross receipts tax on any person engaging in business in the municipality at the rate of three-fourth of one percent (.75%) of the gross receipts reported or required to be reported or required to be reported pursuant to the New Mexico Gross Receipts and Compensating Tax Act as it now exists or is amended and provide certain specified exemptions from said tax.

Sections 3 and 4 provide for the dedication of the supplemental gross receipts tax to the payment of supplemental municipal gross receipt bonds or water system improvements and provided for an effective date for the tax to wit, January 1, 2019.

Section 5 provides for an election in the municipality on the tax and on certain bond questions as provided in the Supplemental Municipal Gross Receipts Tax Act.

Section 6 through 8 provide for severability, repeal of conflicting ordinances and provide this summary for publication.

COMPLETE COPIES OF THIS ORDINANCE ARE ON FILE IN THIS OFFICE OF THE CITY CLERK AT THE CITY, 224 SAVAGE AVENUE, RATON, NEW MEXICO, AND ARE AVAILABLE FOR INSPECTION AND/OR PURCHASE DURING REGULAR OFFICE HOURS.

Witness my hand and the seal of the City of Raton, New Mexico, this _____ day of _____, 2017.

(SEAL)

Tricia Mascarenas, City Clerk

PASSED, ADOPTED, SIGNED AND APPROVED this 28th day of November, 2017.

(SEAL)

Sandra Mantz, Mayor

Attest:

Tricia Mascarenas, City Clerk