

ORDINANCE 02-3

ADOPTING A MUNICIPAL INFRASTRUCTURE GROSS RECEIPTS TAX

NOW THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY, THE CITY COUNCIL OF ROSWELL, NEW MEXICO THAT:

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 one-eighth (1/8th) of one 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. The tax imposed under this ordinance 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."

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 municipal infrastructure 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;
- 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 Subsection C of Section 7-1-6.4 NMSA 1978; or
- C. Direct broadcast satellite services.

SECTION 4. Dedication. Revenue from the municipal infrastructure gross receipts tax will be used for the purpose(s) listed below:

- A. Improve the general business climate by working with existing business to retain employees and create new job opportunities through expansion.
- B. Expand the local economy and increase employment by recruiting new business and industry to the area.
- C. Facilitate development of infrastructure to accommodate growth and development.

SECTION 5. Effective Date. The effective date of the municipal infrastructure gross receipts tax shall be January 1, 2003 and be repealed December 31, 2007.

PASSED, ADOPTED, SIGNED AND APPROVED THIS 11th DAY OF JULY, 2002.

CITY SEAL


BILL B. OWEN, Mayor

ATTEST:


TIMOTHY D. STOESSEL, City Clerk