

BERNALILLO COUNTY

BOARD OF COUNTY COMMISSIONERS

ORDINANCE NO. _____

ADOPTING A COUNTY QUALITY OF LIFE GROSS RECEIPTS TAX

BE IT ORDAINED BY THE GOVERNING BODY OF BERNALILLO COUNTY:

Section 1. Imposition of Tax. There is imposed on any person engaging in business in this county for the privilege of engaging in business in this county an excise tax equal to three-sixteenths of one percent (.1875%) of the gross receipts reported or required to be reported by the persons pursuant to the New Mexico Gross Receipts Tax Act as it now exists or as it may be amended. The tax imposed under this ordinance is pursuant to the County Local Option Gross Receipts Taxes Act as it now exists or as may be amended and shall be known as the “county quality of life 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 county quality of life 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 county to another point outside the county;
- B. direct broadcast satellite services.

Section 4. Dedication. Revenue from the county quality of life gross receipts tax must be dedicated to cultural programs and activities provided by a local government and to cultural programs, events and activities provided by contract or operating agreement with non-profit or publicly owned cultural organizations and institutions and specifically:

- A. The revenue distribution shall be reviewed and recommended to the county commission by the county cultural advisory board;
- B. The revenue may not be used for capital expenditures, endowments or fundraising;
- C. At least one percent but not more than three percent of the revenue shall be used for public education on the use of the revenue;
- D. At least three percent but not more than five percent of the revenue shall be dedicated to administration of the revenue; and at least one percent but not more than three percent of the revenue shall be used for the implementation of the goals of the

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1 cultural plan for the county and the largest municipality located within the exterior
2 boundaries of the county.

3 E. The percentage of funds for each tier, as described below in paragraphs G.1.-3., and
4 cultural programs and activities shall be reviewed by the cultural advisory board
5 every four years with recommendations to be made to the county commission.

6 F. Educational institutions serving kindergarten through twelfth grade are not eligible
7 for distribution pursuant to this paragraph.

8 G. The net revenue from the tax remaining after the distribution described in Section 4.
9 A-C. shall be distributed as follows:

10 1. for the purposes of enhancing cultural programs and activities, sixty-five
11 percent to a municipality for cultural programs and activities within the
12 exterior boundaries of the county, including the Albuquerque/Bernalillo
13 County Public Library System, the Albuquerque Biological Park, the
14 Albuquerque Museum of Art & History, the Anderson-Abruzzo Balloon
15 Museum, KiMo Theater, South Broadway Cultural Center, Explora Science
16 Center & Children's Museum and other municipal programs and activities as
17 recommended by the county cultural advisory board and approved by the
18 county commission, and five percent to the county for cultural programs and
19 activities within the unincorporated areas of the county, provided that:

20 (a) the funds that are distributed are used to expand and sustain existing
21 programs and to develop new programs, events and activities;

22 (b) the funds that are distributed do not replace other funding sources for
23 existing program, events and activities.

24 (c) the funds are distributed according to a plan that takes into
25 consideration progress indicators that include current budgets, fiscal
26 responsibility and attendance, and are directly proportional to the
27 organization's general fund operating budget that was approved by
28 the municipal and local governments;

29 (d) a portion of the funds may be expended by the municipality pursuant
30 to an operating agreement with an organization that operates a
31 facility owned by the municipality in proportion to the organization's
32 operating budget that was provided by the municipality; and

33 2. for the purpose of providing cultural programs and services to the residents of
34 the county, sixteen percent may be distributed through contracts for services
35 with private nonprofit cultural organizations or institutions with an annual
36 operating budget of more than one hundred thousand dollars (\$100,000) and
37 two percent may be distributed through contracts for services with private
38 nonprofit cultural organizations and institutions with an annual operating
39 budget of one hundred thousand dollars (\$100,000) or less. To be eligible for
40 distribution pursuant to this paragraph a cultural organization or institution
41 shall have:

42 (a) been granted for the prior three consecutive years exemption from
43 the federal income tax by the United States Commissioner of the
44 internal revenue as an organization described in Section 501(c)(3) of
45 the internal Revenue Code of 1986;

46 (b) as its primary purpose cultural programs; and

- 1 (c) its principal office located within the exterior boundaries of the
- 2 county;
- 3 3. for the purpose of providing cultural programs to residents of the county,
- 4 twelve percent to:
- 5 (a) organizations that have a strong cultural program but do not have
- 6 cultural programming as their primary purpose; or
- 7 (b) foundations that are affiliated with state or federally owned
- 8 institutions that do not otherwise qualify for funding pursuant to this
- 9 section but that offer cultural programs to the general public, and
- 10 (c) the funds that are distributed are used to expand and sustain existing
- 11 programs and to develop new programs, events and activities;
- 12 (d) the funds that are distributed do not replace other funding sources for
- 13 existing program, events and activities.
- 14

15 **Section 5. Effective Date.** The effective date of the county quality of life gross receipts
 16 tax shall be either January 1 or July 1, whichever date occurs first after the expiration of three
 17 months from the date when the results of the election are certified to be in favor of the
 18 ordinance’s adoption and the adopted ordinance is delivered or mailed to the Taxation and
 19 Revenue Department.

20
 21 **DONE** this _____ day of _____, 2006.

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 23 BOARD OF COUNTY COMMISSIONERS

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 25 _____
 26 Alan B. Armijo, Chair

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 28 _____
 29 Teresa L. Córdova, Ph.D., Vice-Chair

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 31 _____
 32 E. Tim Cummins, Member

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 34 _____
 35 Deanna Archuleta, Member

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 37 _____
 38 Michael Brasher, Member

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 45 County Legal

CONTINUATION PAGE 4,

1 Date: _____

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4 ATTEST:

5 _____

6 Mary Herrera, Clerk

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8 Date: _____

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