

**ORDINANCE NO. 1237**

**ADOPTING A MUNICIPAL GROSS RECEIPTS TAX**

BE IT ORDAINED BY THE GOVERING BODY OF  
THE TOWN OF SILVER CITY

**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 fourth of one percent (.25%) 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 gross receipts tax.”

**Section 2. General Provisions.** This ordinance hereby adopts by reference all definitions, exemptions and deductions contain in the Gross Receipts and Compensating Tax Act as it now exists or as it may be amended.

**Section 3. Specific Exemptions.** No municipal 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 gross receipts tax will be used for the purpose(s) listed below:

All General Fund Operations

**Section 5. Effective Date.** The effective date of the municipal gross receipts tax shall be either January 1, or July 1, whichever date occurs first after the expiration of three months from the date this ordinance is adopted, unless an election is held on the question of approving the ordinance, in which case the effective date shall be either January 1, or July 1, whichever date occurs first after the expiration of three months from the date when the results of the election are certified to be in favor of the ordinance’s adoption and the adopted ordinance is delivered or mailed to the Taxation and Revenue Department.

**ADOPTED BY THE GOVERNING BODY OF THE TOWN OF SILVER CITY THIS  
24TH DAY OF MARCH 24, 2015.**

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Michael S. Morones, Mayor

Attest:

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Ann L. Mackie, Town Clerk