



Agenda Item Number: 2009-3-1A

BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS

Meeting Date: March 24, 2009

Department: County Manager Staff Contact: Thaddeus Lucero, County Manager
Dan Mayfield, Deputy County Manager - Finance

TITLE: Extension of 1/16% Healthcare Gross Receipts Tax in accordance with Laws of 2009.

ACTION: Motion to adopt Ordinance 2009-___ amending Ordinance 2006-16, declaring an Emergency and extending 1/16% Healthcare Gross Receipts Tax Countywide.

SUMMARY:

During the 2006 legislative session NMSA 7-20E-18 known as the County Health Care Gross Receipts Tax (attachment 1) was amended to allow an implementation of 1 /16% Gross Receipts Tax for Health Care. Under the terms of the 2006 law, the County Health Care Gross Receipts Tax can be imposed for a period that ends no later than June 30, 2009. Revenue from the 1/16th % gross receipts tax must be dedicated to the support of indigent patients through June 20, 2009.

In the 2009 Legislature Rep. Rick Miera introduced House Bill 135 to extend the Health Care Gross Receipts Tax. In order to continue the Health Care GRT without interruption, an amendment to Ordinance 2006-16 is required. If not approved at this meeting the tax cannot go into effect until January, 2010, at the soonest.

ATTACHMENTS:

1. HB 135 – 2009 Legislative Session
2. Amended Ordinance

FISCAL IMPACT

If the 1/16th% gross receipts tax is implemented the proceeds (approximately, \$10 million per year) will be dedicated to the support of indigent patients.

STAFF ANALYSIS SUMMARY

COUNTY MANAGER

If the second 1/16th% gross receipts tax is implemented, additional funding will be available for indigent patients thereby lessening financial pressures upon UNMH and other health care agencies providing indigent health care. Funds from the previously enacted increment of the 1/16th health care gross receipts tax have been used primarily for facilities such as MATS and the South Valley Clinic because of the temporary nature of the funding. Funds from the extended tax can be used to provide more services in the community during these difficult times.

T. Lucero 3/13/09

LEGAL

All documents have been prepared by Hughes and Strumor, Ltd.

DEPUTY COUNTY MANAGER FOR FINANCE

See Summary – Dan Mayfield, DCM Finance, 3/13/09