

## LODGERS TAX USES

### 3-38-21. Eligible uses of tax proceeds.

Subject to the limitations contained in [Section 3-38-15](#) NMSA 1978, a municipality or county imposing an occupancy tax may use the proceeds from the tax to defray costs of:

- A. collecting and otherwise administering the tax, including the performance of audits required by the Lodgers' Tax Act [[3-38-13](#) to [3-38-24](#) NMSA 1978] pursuant to guidelines issued by the department of finance and administration;
- B. establishing, operating, purchasing, constructing, otherwise acquiring, reconstructing, extending, improving, equipping, furnishing or acquiring real property or any interest in real property for the site or grounds for tourist-related facilities, attractions or transportation systems of the municipality, the county in which the municipality is located or the county;
- C. the principal of and interest on any prior redemption premiums due in connection with and any other charges pertaining to revenue bonds authorized by [Section 3-38-23](#) or [3-38-24](#) NMSA 1978;
- D. advertising, publicizing and promoting tourist-related attractions, facilities and events of the municipality or county and tourist facilities or attractions within the area;
- E. providing police and fire protection and sanitation service for tourist-related events, facilities and attractions located in the respective municipality or county; or
- F. any combination of the foregoing purposes or transactions stated in this section, but for no other municipal or county purpose.

**History:** 1953 Comp., § 14-37-22, enacted by Laws 1969, ch. 199, § 9; 1976 (S.S.), ch. 34, § 6; 1983, ch. 217, § 1; 1987, ch. 9, § 2; 1989, ch. 203, § 1; 1995, ch. 97, § 1; 1996, ch. 58, § 7.