

Revenue Stabilization and Tax Policy Interim Committee
Presentation by New Mexico Transit Association
December 18, 2018

FUNDING SOLUTIONS FOR PUBLIC TRANSIT AND STATE ROAD FUND

Option #1: Annual Motor Vehicle Registration Surcharge

- Modeled after 2009 legislation
- Bill as drafted creates a surcharge of \$15 for passenger vehicles weighing between 2,00 and 3,000 pounds; \$20 for vehicles over 3,000 pounds
- Bill as drafted creates a surcharge of \$55 for trucks weighing between 4,000 and 6,000 pounds
- Revenue for State Road Fund in FY '20 is \$102,260,100 (90% of revenue); Revenue for State Transit Fund is \$11,362,200 (10% of revenue)

Alternative for 2019 Comprehensive Tax Reform Package:

- Increase motor vehicle registration fee and motor vehicle excise tax with all revenue flowing to the State Road Fund; impose a miniscule surcharge for State Transit fund

Option # 2: Increase Gasoline Tax

- Modeled after several previous proposals
- Bill as drafted increases the gasoline tax by six cents per gallon
- Bill as drafted distributes 1.52% to the State Transit Fund
- Revenue for State Road Fund in FY '20 is \$65,683,500; Revenue for State Transit Fund is \$3,164,000

Option #3: Increase Weight Distance Tax Identification Permit Fee

- Included in HB 202 in 2017; SFC amendment changed permit fee from \$5 to \$55
- Revenue for State Road Fund in FY '20 is \$43,689,900
- Proposal would dedicate 5% of the permit fee revenue to the State Transit Fund; possible federal commerce clause issues on interstate trucking due to fee not being apportioned to miles traveled in New Mexico

202.211287.2

Transportation Registration Surcharge

FISCAL IMPACT
(THOUSANDS \$)

3 mos.

Passenger Vehicles	Fee	FY19 est.	FY20 est.	FY21 est.	FY22 est.	FY23 est.	FY24 est.	FY25 est.
0 - 2,000 lbs.	\$15	39.4	154.4	151.1	147.9	144.7	141.7	138.6
2,001 lbs. - 3,000 lbs.	\$20	1,142.9	4,584.6	4,597.8	4,611.1	4,624.4	4,637.7	4,651.1
3,001 lbs. - over	\$57	11,298.7	45,987.0	46,793.0	47,613.1	48,447.5	49,296.6	50,160.5
		12,481.0	50,726.1	51,541.9	52,372.0	53,216.6	54,076.0	54,950.3

3 mos.

Trucks, Truck tractors, Road Tractors and Buses	Fee	FY19 est.	FY20 est.	FY21 est.	FY22 est.	FY23 est.	FY24 est.	FY25 est.
001 - 4,000 lbs.	\$56	289.4	1,144.8	1,132.4	1,120.1	1,108.0	1,095.9	1,084.0
4,001 - 6,000 lbs.	\$80	3,392.5	13,502.1	13,434.6	13,367.4	13,300.6	13,234.1	13,167.9
6,001 - 8,000 lbs.	\$105	5,637.7	23,024.4	23,507.9	24,001.5	24,505.6	25,020.2	25,545.6
8,001 - 10,000 lbs.	\$128	2,889.2	11,760.0	11,966.6	12,176.8	12,390.7	12,608.3	12,829.8
10,001 - 12,000 lbs.	\$152	721.1	2,934.3	2,985.0	3,036.6	3,089.0	3,142.4	3,196.6
12,001 - 14,000 lbs.	\$183	445.2	1,843.3	1,907.8	1,974.6	2,043.7	2,115.2	2,189.3
14,001 - 16,000 lbs.	\$193	253.1	1,024.6	1,037.1	1,049.7	1,062.5	1,075.4	1,088.5
16,001 - 18,000 lbs.	\$221	152.0	617.9	627.8	637.9	648.1	658.6	669.1
18,001 - 20,000 lbs.	\$237	147.8	606.1	621.2	636.7	652.7	669.0	685.7
20,001 - 22,000 lbs.	\$245	101.6	409.5	412.5	415.6	418.7	421.8	424.9
22,001 - 24,000 lbs.	\$266	56.2	227.3	229.8	232.4	234.9	237.5	240.2
24,001 - 26,000 lbs.	\$294	382.8	1,513.3	1,495.7	1,478.3	1,461.1	1,444.1	1,427.4
26,001 - 48,000 lbs.	\$325	372.1	1,449.7	1,412.0	1,375.3	1,339.6	1,304.7	1,270.8
48,001 lbs. - over	\$400	722.8	2,839.0	2,787.9	2,737.7	2,688.4	2,640.0	2,592.5
		15,563.5	62,896.3	63,558.3	64,240.6	64,943.5	65,667.2	66,412.3

3 mos. Apr-June

	FY19 est.	FY20 est.	FY21 est.	FY22 est.	FY23 est.	FY24 est.	FY25 est.
Highway Maintenance (90% of Surcharge)	25,240.1	102,260.1	103,590.2	104,951.4	106,344.1	107,768.9	109,226.3
State Transit Fund (10% of Surcharge)	2,804.5	11,362.2	11,510.0	11,661.3	11,816.0	11,974.3	12,136.3