

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,
2000**

INTRODUCED BY

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A JOINT MEMORIAL

REQUESTING THE REVENUE STABILIZATION AND TAX POLICY COMMITTEE
TO CONDUCT A COMPREHENSIVE REVIEW OF THE TAX POLICY OF NEW
MEXICO.

WHEREAS, the tax policy of the state affects the health
and welfare of its residents, the economy and local
government operations; and

WHEREAS, New Mexico's employment growth was less than
one percent in 1998-1999, ranking New Mexico twenty-eighth in
the nation for employment growth; and

WHEREAS, New Mexico ranks forty-ninth in the nation in
per capita personal income; and

WHEREAS, New Mexico ranked second in disparity in income
between the richest fifth and middle fifth of the population
and third in disparity in income between the richest fifth
and poorest fifth of the population; and

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1 WHEREAS, New Mexico has enacted two hundred six million
2 dollars (\$206,000,000) worth of individual and business tax
3 relief measures in the last five years; and

4 WHEREAS, changes in the economy and market affect the
5 tax base of New Mexico;

6 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
7 STATE OF NEW MEXICO that the revenue stabilization and tax
8 policy committee be requested to conduct a comprehensive
9 review of New Mexico tax policy and structure that builds on
10 previous studies and analysis; and

11 BE IT FURTHER RESOLVED that the review include an
12 assessment of the impact of the state tax policy and
13 structure, including the impact of income, property and gross
14 receipts tax structures on business, economic development and
15 households by income; the effectiveness and impact of
16 individual and business tax deductions, credits and
17 exemptions for business, economic development and individuals
18 by income ranges; and the impact of state tax policy and
19 structure on the stability and operations of government; and

20 BE IT FURTHER RESOLVED that consideration be given to
21 the changes required to provide an equitable state tax policy
22 and structure that enhances the health and welfare of all New
23 Mexicans and businesses, that addresses the emerging future
24 and that provides appropriate stable revenues for state and
25 local government responsibilities; and

 BE IT FURTHER RESOLVED that the taxation and revenue
department and other state agencies, as requested, assist in

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1 the review and analysis of this memorial; and

2 BE IT FURTHER RESOLVED that the revenue stabilization
3 and tax policy committee report its findings and
4 recommendations to the New Mexico legislative council no
5 later than December 15, 2000; and

6 BE IT FURTHER RESOLVED that a copy of this memorial be
7 sent to the New Mexico legislative council, the secretary of
8 taxation and revenue and the governor.

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