

OTHER SUBSTANTIVE ISSUES

TRD points out that the “privilege tax” of 4% of gross receipts from professional athletic competitions is appropriated to the New Mexico Athletic Commission, and is used by that commission in regulating and licensing the industry. Thus, the 4% privilege tax may be considered a cost of doing business as a promoter, not a general tax. The gross receipts tax, simultaneously imposed on professional athletic competitions is the contribution of the activity to the general support of government services, including public schools, higher education, courts and corrections, among other state and local government services.

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