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## FISCAL IMPACT REPORT

SPONSOR Foley DATE TYPED 2-12-04 HB 512

SHORT TITLE Coal for Electric Generation Gross Receipts SB \_\_\_\_\_

ANALYST Neel

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
		See Narrative	Recurring	General Fund
		See Narrative	Recurring	Local Government

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

No Response Received From:  
Taxation and Revenue Department (TRD)

### SUMMARY

#### Synopsis of Bill

House Bill 512 amends the Gross Receipts and Compensating Act to allow a deduction for the sale of coal used in the generation of electricity in New Mexico.

### FISCAL IMPLICATIONS

According to the information provided in the Blue Ribbon Tax Commission, the cost of providing a GRT deduction for power plants dedicated to the wholesale power market would be approximately \$4 million per year; this does not directly relate to HB 512, it implies that the fiscal impact would be significantly higher than \$4 million.

**BT/lg:dm**