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FISCAL IMPACT REPORT

SPONSOR Aragon DATE TYPED 1/30/04 HB _____

SHORT TITLE Governmental Gross Receipts Definition SB 23

ANALYST Taylor

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
63.0	750.0	750.0	Recurring	PPRF
22.0	250.0	250.0	Recurring	EMNRD

SOURCES OF INFORMATION

LFC Files

Response Received From
Taxation and Revenue Department

SUMMARY

Senate Bill 23 expands the definition of governmental gross receipts to include “the renting of parking, docking or tie-down spaces or the granting of permission to park vehicles, tie-down aircraft or dock boats”.

The bill carries no effective date, thus becoming effective 90 days after being signed.

FISCAL IMPLICATIONS

TRD reports that this legislation would expand the governmental gross receipts tax base by \$1 million. This is based on enterprise revenue reports prepared by the Department of Finance and Administration, Local Government Division and specific local government reports on enterprise revenues. Applying the 5 percent tax rate to the added \$10 million base yields \$1 million on a full year basis. The tax is expected to be applicable to the last month of the current year, thus explaining the FY04 revenue impact.

Governmental gross receipts tax revenue is distributed to the Energy, Minerals and Natural Resources Department (EMNRD), which receives 25 percent of receipts, and the Public Project Revolving Fund administered by the New Mexico Finance authority, which receives 75 percent of receipts.

BT/lg