

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Campos DATE TYPED 3/9/05 HB _____
 SHORT TITLE Municipality Business License Fee Increases SB 536/aSFC
 ANALYST Hadwiger

APPROPRIATION (in \$000s)

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)
 Economic Development Department (EDD)

SUMMARY

Synopsis of SFC Amendment

The Senate Finance Committee Amendment would increase the maximum business registration fee that a municipality may impose on each place of business within the municipality to \$50.00 in calendar years 2006 and 2007 and no more than \$75.00 in calendar year 2008 and subsequent calendar years.

Synopsis of Original Bill

Senate Bill 536 would increase the maximum business registration fee that a municipality may impose on each place of business within the municipality from \$35.00 per year to \$100.00 per year. The bill would also allow municipalities to permit a business to pay its registration fees for more than one year at a time.

Significant Issues

This bill would give local governments greater flexibility when setting business registration fees. DFA indicates this statute was last amended and the fee revised in the 1988 legislative session.

FISCAL IMPLICATIONS

There would be no fiscal impact on the State. Municipal revenues would increase to the extent that their governing bodies adopt ordinances increasing the fee and to the extent that businesses pay the fee.

DH/lg:yr