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# FISCAL IMPACT REPORT

SPONSOR Robinson		oinson	ORIGINAL DATE LAST UPDATED		НВ	
SHORT TITLE		NMSU Personal Income Tax Task Force			SJM	27a/SFl#1
				ANA	LYST	Cox/Baca

## **APPROPRIATION (dollars in thousands)**

Appropr	iation	Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$0.1 see analysis	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

#### SOURCES OF INFORMATION

LFC Files

Responses Received From
New Mexico State University (NMSU)

#### **SUMMARY**

#### Synopsis of SFI#1

Senate Floor Amendment #1 strikes all references to the bill being a joint memorial and converts to a "Senate Memorial"

#### Synopsis of Original Bill

Senate Joint Memorial 27 requests the Economics Department at New Mexico State University to establish a task force to examine the economic benefit of providing a personal income tax exemption for retainer pay made to retired military service personnel.

### **SIGNIFICANT ISSUES**

Retired military personnel have significant resources to offer New Mexico and their retirement in the state would provide economic development opportunities.

This Senate Joint Resolution honors veterans for their past service.

The Senate Joint Resolution further requests that the task force be:

### Senate Joint Memorial 27 a/SFl#1 – Page 2

- chaired by an academic with established credentials in economics and that the task force include:
- two assigned personnel from the taxation and revenue department;
- one person from the Economic Development Department;
- one person with tax experience in New Mexico and with experience in federal tax law; two persons appointed by the governor;
- two persons recommended by the military officers association of America;
- two enlisted retired military service personnel designated by veterans' associations;
- and at least one woman representing retired military service personnel widows.

Senate Joint Resolution states that that the Task Force reports its findings and recommendations to the Appropriate Interim Committee of the legislature by December 15, 2008.

A copy of this Senate Joint Memorial should be transmitted to the Chair of the Economics Department at New Mexico State University.

### FISCAL IMPLICATIONS

This Senate Joint Resolution may require some funding for per-diem and travel. Such a study may require a multi-year effort. Furthermore, budgeted funds might need to be used from other sources at New Mexico State University. NMSU states that this a large committee and some additional funding, as per above, may be necessary

This Senate Joint Memorial requests no funding.

### **POSSIBLE QUESTIONS**

What travel and per-diem funds are necessary for this study, and for how long?

PRC/mt