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HOUSE MEMORIAL 61

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

INTRODUCED BY

Eleanor Chavez

A MEMORIAL

REQUESTING THE NEW MEXICO LEGISLATURE TO CONSIDER THE EFFECTS
OF TAX CREDITS AND DEDUCTIONS UPON THE OPERATION OF VITAL STATE
FUNCTIONS.

WHEREAS, the legislative finance committee's February 2009
revenue brief reports that recurring revenue for fiscal year
2009 will be five billion seven hundred million dollars
(\$5,700,000,000), almost three hundred million dollars
(\$300,000,000) less than fiscal year 2008 or a decline of four
and nine-tenths percent; and

WHEREAS, the same legislative finance committee brief
reports that the decline in state revenues would have been
worse without significant but unsustainable strength in federal
mineral leasing; and

WHEREAS, the same legislative finance committee brief

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1 reports that recurring revenue for fiscal year 2010 will be two
2 hundred sixty-eight million dollars (\$268,000,000) less than
3 for fiscal year 2009; and

4 WHEREAS, revenues are expected to gain some ground in
5 fiscal year 2011, increasing four and nine-tenths percent back
6 to the 2009 figure of five billion seven hundred million
7 dollars (\$5,700,000,000) in the event that the economy improves
8 as projected; and

9 WHEREAS, the New Mexico legislature has enacted a great
10 many tax credits already, including a rural jobs tax credit; a
11 laboratory partnership with small business tax credit; a
12 technology jobs tax credit; a film production tax credit; a New
13 Mexico filmmaker tax credit; an affordable housing tax credit;
14 a qualified research and development small business tax credit
15 for high wage jobs; an alternative energy products
16 manufacturers' tax credit; a qualified business facility
17 rehabilitation tax credit; a welfare-to-work employer tax
18 credit; a job mentorship tax credit; a solar market development
19 tax credit; a residential and small business solar thermal and
20 photovoltaic market development tax credit; a working families
21 tax credit; a special needs adopted child tax credit; a tax
22 credit equal to fifty percent of the fair market value of land
23 or interest in land that is conveyed for the purpose of open
24 space, natural resource or biodiversity conservation; an angel
25 investment credit tax credit for qualified investments; a

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1 renewable energy production tax credit; a sustainable building
2 tax credit; an agricultural water conservation expenses tax
3 credit; a blended biodiesel fuel tax credit to offset the
4 special fuel excise tax; a rural health care practitioner tax
5 credit; a credit for the preservation of cultural property; and
6 an intergovernmental business tax credit, among others; and

7 WHEREAS, the legislature has already enacted over forty-
8 five different deductions from taxable income; and

9 WHEREAS, the legislature has already enacted more than
10 fifty different exemptions from taxable income; and

11 WHEREAS, in this first session of the forty-ninth
12 legislature alone, there is legislation that proposes tax
13 credits, tax deductions and tax exemptions that have a combined
14 projected fiscal impact of almost two hundred seventy-nine
15 million dollars (\$279,000,000) for 2011, an amount greater than
16 the projected drop in revenues from 2009 to 2010;

17 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
18 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the legislature
19 as a whole be requested to carefully consider the budgetary
20 needs of the state when considering any further tax credits,
21 exemptions or deductions; and

22 BE IT FURTHER RESOLVED that when considering any of the
23 proposed tax credits, deductions and exemptions before it, the
24 legislature carefully consider the role that state government
25 is called upon to play in a troubled economy, providing a

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1 safety net to a larger pool of residents who now qualify for
2 programs such as medical assistance; food stamps; temporary
3 assistance for needy families; and many other public programs
4 to assist low-income households; and

5 BE IT FURTHER RESOLVED that the legislature consider the
6 impact of tax credits, exemptions and deductions on all of the
7 necessary functions of the state that must be maintained even
8 in the face of diminished revenues; and

9 BE IT FURTHER RESOLVED that copies of this memorial be
10 transmitted to the governor and to the president pro tempore of
11 the senate.