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## FISCAL IMPACT REPORT

SPONSOR: Lujan                      DATE TYPED: 02/16/99    HB 530  
 SHORT TITLE: Amend Taxation and Revenue Department Act    SB \_\_\_\_\_  
 ANALYST: Eaton

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY99	FY2000			
	(unknown)		Recurring	General Fund
	(unknown)		Recurring	Counties/Munic.

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

Taxation and Revenue Department (TRD)

### SUMMARY

#### Synopsis of Bill

This bill would permit the pueblos of Santa Ana and Laguna to enter into agreements with the Taxation and Revenue Department whereby they would receive credit against state and local gross receipts taxes payable to the state. The amount of credit would be equal to the lesser of seventy five percent of the Pueblo tax imposed.

This bill is designed to eliminate the double taxation that occurs when both the state and pueblo(s) impose a gross receipts tax.

The pueblo of Santa Clara currently has an agreement like this with the state.

#### Significant Issues

This bill would make it easier for the pueblos to attract commerce to pueblo lands. While purchase of reservation land is not permitted, this legislation would be attractive to businesses considering establishing operations on pueblo land.

**FISCAL IMPLICATIONS**

The impact to the general fund will be negative but to what extent is unknown at this time. The fiscal impact to the pueblos will be positive.

Because this legislation is attractive to businesses, the possible increase in pueblo commerce over time and the general fund revenues generated as a result, may outweigh the short term negative impacts this legislation would have in the absence of new commerce.

**ADMINISTRATIVE IMPLICATIONS**

The Taxation and Revenue Department (TRD) estimates the cost of reprogramming TRD computers would be \$15,000.

JBE/gm