

Locomotive Fuel Deductions

Report to the Revenue Stabilization and Tax Policy Committee - 9/29/2014

GRT and Compensating Tax Relief

Union Pacific

- \$9.8 million in GRT and Compensating Tax relief

BNSF

- \$5.3 million in GRT and Compensating Tax relief
 - \$1.9 million in GRT relief
 - \$3.4 million in Compensating Tax relief

Estimated PIT Revenue

Union Pacific

- Construction Jobs
 - Assumed an average wage of \$40,140*
 - At \$40,140, the 1,311 construction jobs would have resulted in \$52,623,540 in income over the course of the 3-year construction project (\$17,541,180 per year)
 - This results in **\$1,578,706** in PIT revenue over the course of the 3-year construction project (\$526,235 per year)[†]
- Permanent Jobs
 - Assumed an average wage of \$41,470*
 - At \$41,470, the 406 permanent jobs would have resulted in \$16,836,820 in income
 - This results in **\$505,105** in PIT revenue[†]

BNSF

- Construction Jobs
 - Assumed an average wage of \$40,140*
 - At \$40,140, the 48 construction jobs would have resulted in \$1,926,720 in income
 - This results in **\$57,802** in PIT revenue[†]
- Permanent Jobs
 - Not reported

* NM Department of Workforce Solutions Occupational Employment and Wage Data

[†] Assuming an average PIT rate of 3%