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SENATE BILL

51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO TAXATION; AUTHORIZING THE DIRECTOR OF THE
LEGISLATIVE COUNCIL SERVICE TO CONTRACT WITH TAX POLICY EXPERTS
FOR A TAX REFORM STUDY; AUTHORIZING THE TAXATION AND REVENUE
DEPARTMENT AND THE DEPARTMENT OF FINANCE AND ADMINISTRATION TO
PROVIDE FEEDBACK ON TAX REFORM RECOMMENDATIONS; REQUIRING A
REPORT ON TAX REFORM RECOMMENDATIONS TO LEGISLATIVE COMMITTEES;
MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. TEMPORARY PROVISION--TAX REFORM STUDY.--

A. The director of the legislative council service
is authorized to contract for the services of no more than ten
experts in the field of tax policy and tax law to study the
state's tax structure and make recommendations to reform the
state's tax structure so that it will be simpler and more fair

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1 to the state's taxpayers and make New Mexico more competitive
2 with other states.

3 B. The experts shall include a lead expert to
4 coordinate the study, experts that shall develop
5 recommendations for tax reform and experts that shall review,
6 analyze and provide feedback on the recommendations.

7 C. In addition to the experts described in
8 Subsections A and B of this section, the director of the
9 legislative council service is authorized to contract for the
10 services of an economist or other expert with experience in
11 estimating the revenue impact of tax policy changes to create
12 reports on the fiscal impact of the recommendations for tax
13 reform. The secretary of finance and administration, the
14 secretary of taxation and revenue and the director of the
15 legislative finance committee may provide a recommendation to
16 the director of the legislative council service regarding an
17 expert who has the necessary expertise.

18 D. The secretary of taxation and revenue and the
19 secretary of finance and administration, or their designees,
20 may review and provide feedback on the recommendations for tax
21 reform.

22 E. The director of the legislative council service
23 and the director of the legislative finance committee shall
24 provide staff to support the experts described in Subsections A
25 and B of this section. The directors may contract for

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1 additional support staff as needed to assist in the study.

2 F. Preliminary recommendations for tax reform shall
3 be presented to the revenue stabilization and tax policy
4 committee and the legislative finance committee in November
5 2014, and final recommendations for tax reform shall be
6 presented to those committees in December 2014.

7 SECTION 2. APPROPRIATION.--Two hundred thousand dollars
8 (\$200,000) is appropriated from the general fund to the
9 legislative council service for expenditure in fiscal years
10 2014 and 2015 to carry out the provisions of Section 1 of this
11 act. Any unexpended or unencumbered balance remaining at the
12 end of fiscal year 2015 shall revert to the general fund.

13 SECTION 3. EMERGENCY.--It is necessary for the public
14 peace, health and safety that this act take effect immediately.