

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Rawson DATE TYPED 03/03/05 HB _____

SHORT TITLE Repeal Of Federal Telecommunications Tax SB SM 19

ANALYST Padilla-Jackson

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
NFI	NFI			

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

None.

SUMMARY

Synopsis of Bill

Senate Memorial 19 requests that United States Senators representing New Mexico support the repeal of the federal excise tax on telecommunications.

Significant Issues

The memorial suggests that the tax was introduced as a luxury tax, and that telephone service is no longer a luxury. Additionally, the memorial calls the tax a regressive tax in that it requires low-income Americans to pay a higher percentage of their income than high-income Americans.

FISCAL IMPLICATIONS

There are no fiscal impacts associated with the memorial, though if the federal excise tax on telecommunication was repealed there would be a fiscal impact

OPJ/lg