

LFC Requester:

Laird Graeser

AGENCY BILL ANALYSIS
2024 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

Analysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original Amendment

Correction Substitute

Date 19JAN2024

Bill No: HB 79

Sponsor: John Block, Stefani Lord,
Tanya Mirabal Moya
Short Title: Firearm & Ammo Gross
Receipts

Agency Name and Code 790-Department of Public Safety
Number:
Person Writing Santana Nieto
Phone: 505-470-4786 Email Santana.Nieto@dps.n

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
NFI	NFI	N/A	N/A
NFI	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
NFI	NFI	NFI	N/A	N/A
NFI	NFI	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Grants a 25 percent gross receipts tax deduction on receipts from the sale of firearms and ammunition. Provides a hold harmless distribution to municipalities and counties to insulate them from adverse revenue effects.

Defines:

- “firearm as a weapon that will or is designed to or may readily be converted to expel a projectile by action of an explosive and includes the frame or receiver of any such weapon, a firearm muffler or firearm silencer; and
- “ammunition” as ammunition or cartridge cases, primers, bullets or propellant powder designed for use in any firearm.

Requires TRD to compile an annual report on the number of taxpayers claiming this deduction, the aggregate amount of deductions claimed and any other information necessary to evaluate the effectiveness of the deduction for presentation to the LFC and RS&TPC.

FISCAL IMPLICATIONS

No fiscal implications to DPS.

SIGNIFICANT ISSUES

There is no reason for this tax deduction. Implementing it will likely increase the significant rates of gun violence that New Mexico is already experiencing.

PERFORMANCE IMPLICATIONS

No performance implications to DPS.

ADMINISTRATIVE IMPLICATIONS

No administrative implications to DPS.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

No conflict, duplication, companionship, or relationship issues to DPS.

TECHNICAL ISSUES

No technical issues to DPS.

OTHER SUBSTANTIVE ISSUES

No other substantive issues to DPS.

ALTERNATIVES

Not applicable as no impact to DPS.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo

AMENDMENTS

None at this time.