

<b>LFC Requester:</b>	<b>Ismael Torres</b>
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**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:**

**AgencyAnalysis.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** 1/24/24  
**Bill No:** SB 174

**Sponsor:** Leo Jaramillo  
**Short Title:** Calf Canyon Fire Legal Services Gross Receipts

**Agency Name and Code** DHSEM-795  
**Number:** \_\_\_\_\_  
**Person Writing** Matthew Stackpole  
**Phone:** 505-699-5807    **Email** Matthew.stackpole@dhsem.nm.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$0	\$0	NA	NA

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
\$0	\$0	\$0	NA	NA

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	\$0	\$0	\$0	Unclear	NA	NA

(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**

Synopsis: SB 174 provides a gross receipts tax deduction for the sale of legal services, “rendered to and at the request of a person eligible to receive compensation pursuant to the federal Hermit’s Peak/Calf Canyon Fire Assistance Act,” so long as those legal services are directly related to the person receiving compensation.

The bill clarifies that “legal services,” does not include lobbying or government relations services, as well as other services unrelated to those performed by a licensed attorney in seeking compensation for an eligible client.

**FISCAL IMPLICATIONS**

It is unclear how much in gross receipts tax revenue the State of New Mexico would otherwise be receiving in the absence of this bill.

**SIGNIFICANT ISSUES**

No significant issues.

**PERFORMANCE IMPLICATIONS**

No performance implications from the perspective of DHSEM.

**ADMINISTRATIVE IMPLICATIONS**

No administrative implications from the perspective of DHSEM.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

NA

**TECHNICAL ISSUES**

No technical issues from the perspective of DHSEM.

**OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

In the absence of this bill, the above listed legal services would continue being subject to gross receipts tax by the State of New Mexico.

## **AMENDMENTS**