

NOTE: As provided in LFC policy, this report is intended for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.

Only the most recent FIR version, excluding attachments, is available on the Intranet. Previously issued FIRs and attachments may be obtained from the LFC office in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR:	Rawson	DATE TYPED:	02/11/00	HB	
SHORT TITLE:	Employee Transportation Tax Credit			SB	206
				ANALYST:	Williams

REVENUE

Estimated Revenue		Subsequent	Recurring	Fund
FY00	FY01	Years Impact	or Non-Rec	Affected
	\$ (210,000.0)	\$ (354,000.0)	Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

Duplicates/Conflicts with/Companion to/Relates to

SOURCES OF INFORMATION

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

This bill authorizes a personal income or corporate income tax credit to any employer who arranges or directly provides commuting transportation to and from work for any employee who earns less than \$20,000 per year from that taxpayer.

FISCAL IMPLICATIONS

TRD estimates total recurring general fund revenue loss of \$210,000 in FY01 and \$354,000 for a full year. Approximately 47% of the total 508,000 private sector jobs in New Mexico pay less than \$20,000 per year. TRD assumes about 95% of the private sector jobs are in for-profit entities, about 240 working days per day, 20 miles per eligible employee and that the employer is eligible for reimbursement of 32.5 cents per mile per employee.

ADMINISTRATIVE IMPLICATIONS

TRD estimates additional cost of \$210.0 and an additional 5 FTE would be needed for revenue processing, financial services, audit and compliance and information systems.

TECHNICAL ISSUES

Effective date is not clear; an applicability clause should be added.

AW/gm