



the secretary's determination is made; provided that for the purposes of this subsection, the "average distribution or transfer amount" shall be the arithmetic mean of the distribution or transfer amounts within the twelve months immediately preceding the month in which the determination is made.

### **FISCAL IMPLICATIONS**

The revenue table shows an estimated loss of \$900.0 in general fund and is recurring. The \$900.0 would be transferred to the State Fair.

### **OTHER SUBSTANTIVE ISSUES**

In current law all GRT are deposited in the tax administration suspense fund in the state treasury; after payment of necessary refunds and interest, the balance is distributed monthly as follows:

- 1.225 percent of the taxable gross receipts reported for the month of deposit for each municipality is distributed to that municipality – Section 7-1-6.4 NMSA 1978;
- 3.59 percent of gross receipts attributable to the sale of jet fuel is distributed to the state aviation fund for general purposes, and from July 1, 2002 through June 30, 2007, an additional .046 percent of the gross receipts attributable to the sale of jet fuel is distributed to the state aviation fund for carrying out the provisions of the air service assistance program – Section 7-1-6.7 and 64-1-15 NMSA 1978.
- Effective July 1, 2001, \$500,000 from the net receipts attributable to the GRT is made to the state office building bonding fund – Section 7-1-6.42 NMSA 1978;
- Local option gross receipts taxes are distributed to the appropriate county or municipality – Section 7-1-6.12 and 7-1-6.13 NMSA 1978; and
- County health care gross receipts taxes are distributed to the county-supported Medicaid fund – Section 7-20E-18 NMSA 1978.

### **POSSIBLE QUESTIONS**

Does TRD have the ability to collect data on GRT generated only the the State Fair Grounds?

SN/njw