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FISCAL IMPACT REPORT

SPONSOR Heaton DATE TYPED 02/03/05 HB 322
SHORT TITLE "Project" in Industrial Revenue Bond Act SB _____
ANALYST Taylor

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
NFI	NFI	NFI	Recurring	Local Funds
NFI	NFI	NFI	Recurring	State G.O. Bonding

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files
Taxation and Revenue Department (TRD)

SUMMARY

House Bill 322 amends the Industrial revenue bond act by adding to the definition of "project".

The definition of project is amended to add urban transit buses, whether or not already in existence that are: manufactured or assembled in New Mexico, equipped to hold at least 30 passenger and suitable for use by a commercial enterprise for leasing.

The bill carries an emergency clause, making provisions effective upon signature by the Governor.

FISCAL IMPLICATIONS

TRD reported the following fiscal impact report:

Provisions of the proposed measure would impose no significant fiscal impacts on state or local governments. They would most likely shift property tax obligations from entities that are recipients of industrial revenue bond financing to entities that are not, via very small and essentially imperceptible property tax rate changes. Effects would be primarily local, although a very small reduction in state bonding authority would probably result from the proposed statute.

ADMINISTRATIVE ISSUES

TRD reports that there are no significant administrative issues associated with this legislation.

BT/lg