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# FISCAL IMPACT REPORT

SPONSOR _	Taylor	ORIGINAL DATE 02 LAST UPDATED	//21/09 <b>HJM</b>	34
SHORT TITLI	E Tax & Rev Dept. B	usiness Advisory Committe	ee SB	
			ANALYST	Baca

# **APPROPRIATION** (dollars in thousands)

Appropr	iation	Recurring or Non-Rec	Fund Affected
FY09	FY10		
	None		

(Parenthesis ( ) Indicate Expenditure Decreases

### **SOURCES OF INFORMATION**

LFC Files

#### **SUMMARY**

# Synopsis of Bill

House Joint Memorial 34 requests that the Taxation and Revenue Department establish a business tax advisory committee for the purpose of identifying needed changes in New Mexico tax statutes and regulations to improve economic efficiency, fairness, simplicity, compliance and accountability and for the purpose of providing feedback on the department's performance, including the accuracy and timeliness of the department's financial reports

Copies of the report are to be sent to the Governor and the interim Revenue Stabilization and Tax Policy Committee by November 30, 2009.

### FISCAL IMPLICATIONS

The bill contains no appropriation. Presumably, cost associated with the advisory board will be borne by the agency.

#### SIGNIFICANT ISSUES

Decisions regarding taxation policies and practices are made during the short time the legislature is in session and little time is allowed for input from affected parties. Information from tax returns is not available to the general public, and detailed information of business is not available to the department or legislative staff when legislation is being considered. Given the absence of

# **House Joint Memorial 34 - Page 2**

information pertinent to tax policy development, the activities of an advisory committee could prove invaluable to both the public and state level policy makers.

Thus, the Taxation and Revenue department is requested to establish a business tax advisory committee for the purpose of identifying needed changes in New Mexico tax statutes and regulations to improve economic efficiency, fairness, simplicity, compliance and accountability and for the purpose of providing feedback on the department's performance, including the accuracy and timeliness of the department's financial reports.

LRB/mc

**House Joint Memorial 34 -Page 3**