



PRESS RELEASE

July 25, 2006

FOR IMMEDIATE RELEASE

CONTACT: Sharon Kayne, Communications Director, New Mexico Voices for Children
505-244-9505 ext. 30 (p), 505-401-8709 (c), skayne@nmvoices.org
OR: Gerry Bradley, Director of Research, New Mexico Voices for Children
505-244-9505 ext. 23 (p), 505-264-0074 (c), gbradley@nmvoices.org

Local Business Owners Urge Legislators to Close Corporate Tax Loophole 'Combined Reporting' bill would bring the state \$50 million

ALBUQUERQUE— A loophole in New Mexico's corporate tax law allows multi-state corporations to avoid paying corporate income tax on the money they make in New Mexico.

Using this loophole, multi-state corporations can move their profits to another state in order to avoid showing a profit in New Mexico and paying tax on that profit. Since locally owned corporations pay their corporate taxes, this loophole puts them at an economic disadvantage.

The fix, according to New Mexico Voices for Children economist and Research Director Gerry Bradley, is legislation that would require 'combined reporting.'

That's exactly what Bradley will tell an interim legislative committee on Thursday, July 27, in Deming. Several Deming business owners are expected to also speak in favor of combined reporting.

It's believed that combined reporting would bring more than \$50 million in revenue to the state of New Mexico each year. Closing this tax loophole would not hurt our efforts to attract new, out-of-state businesses because every other state west of the Rockies requires combined reporting.

WHO: Deming business owners and economist Gerry Bradley, NM Voices for Children

WHAT: State Legislature Revenue Stabilization and Tax Policy Committee interim meeting

WHERE: Public Schools Administration Board Room at 400 Cody Rd., in Deming

WHEN: July 27 and 28. Bradley and the local business owners are scheduled to speak at 10:55am on Thursday, July 27. The entire interim meeting agenda is posted here:

<http://legis.state.nm.us/lcs/agendas/rstpagejul27.06.pdf>

WHY: To support combined reporting legislation

###

New Mexico Voices for Children is a nonprofit organization advocating for policies to improve the health and well-being of New Mexico's children, families and communities.

2340 Alamo SE, Suite 120, Albuquerque, NM 97106; 505-244-9505; www.nmvoices.org