



PRESS RELEASE

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Child Advocates: More Balanced Approach Taken in Special Session

ALBUQUERQUE—New Mexico Voices for Children announced today that it is encouraged that legislators took a more balanced approach in the special session than they had in the regular session, which focused more on budget cuts than revenue enhancements.

"I think the outcome was as good as we could have expected," said Bill Jordan, Policy Director for the organization. "Deep cuts were still made to health care and education, but they were mitigated by some modest tax increases."

The organization applauded the Legislature for directing \$11 million to early childhood care and education programs from the increase in the cigarette tax.

Of the various tax bills, the child advocacy organization fought most for the legislation that ends the deduction for state and local taxes from the state tax return. New Mexico was one of the few states that still allowed this deduction, which mostly benefitted those with higher incomes.

However, several other measures to raise taxes are regressive—meaning they will fall hardest on lower-income families.

"Increasing the gross receipts tax and reinstating the food tax will hit the working families that are already struggling," said Jordan. "We would have liked to not see any taxes that make our system more regressive, but at least they were enacted at much lower rates than when they were originally introduced."

The regressive taxes were also partly remediated by a small raise in the Low-Income Comprehensive Tax Rebate, which is designed to offset regressive taxes.

Several other tax measures that the organization advocated in favor of—making out-of-state corporations pay tax on their New Mexico profits, and adding a surtax on very high incomes, for example—did not gain enough traction during either session.

"We recognize that legislators had a tough job to do and compromises had to be made. We appreciate that they worked out a budget that will be better for New Mexico's children and working families," Jordan added. "We look forward to continuing to work on a tax system that is fairer to working families, and in improving the state's investments in its most precious resource—its children."

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