

What the Governor's tax "reform" does (and how it would impact the state budget)

The bill Governor Martinez wants the Legislature to pass during the special session would:

Add new (or raise existing) taxes on:

Groceries	\$120 million
Prescription medicines	\$65 million
Personal income	\$186 million
Goods purchased by charities	\$82 million
Back-to-school purchases	\$3.4 million
Textbooks	\$8.7 million
Hearing aides and prosthetic limbs	Cost unknown
Nonprofit nursing homes	Cost unknown

Costing hard-working families:

Groceries	\$120 million
Prescription medicines	\$65 million
Personal income	\$186 million
Goods purchased by charities	\$82 million
Back-to-school purchases	\$3.4 million
Textbooks	\$8.7 million
Hearing aides and prosthetic limbs	Cost unknown
Nonprofit nursing homes	Cost unknown

Decrease taxes on:

Corporate profits	Amount unknown
Business-to-business transactions	Between \$300 million and \$700 million

Giving the well-connected:

Corporate profits	Amount unknown
Business-to-business transactions	Between \$300 million and \$700 million

How would it impact the state budget? No one knows. Analysts say there is no way to come up with an accurate fiscal impact because there are too many variables and unknowns.

A special session is NOT the time to tackle complex tax reform

