



**NEW MEXICO  
BUSINESS COALITION**

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**RE: Oppose HB 323 Change Name of Gross Receipts Tax**

Mr./Madame Chair and Committee Members:

The New Mexico Business Coalition (NMBC) represents hundreds of businesses and thousands of New Mexicans. Our focus is to make New Mexico a better place to live and work, where we have an abundance of good-paying jobs to provide for our families.

We strongly oppose HB 323 Change Name of Gross Receipts Tax. This is a 665-page bill that is nothing but a smoke and mirrors cover up for a really bad tax situation. NMBC has encouraged a complete rewrite of the New Mexico Gross Receipts Tax (GRT) system for over a decade. We understand that this would take time, energy, and resources, but it is what is needed and would be greatly beneficial to our state when completed.

Rather than pursuing a necessary corrective path at a time when the state is flush with cash, there has, instead, been a tremendous amount of time spent trying to dupe potential outside investors to our state. This is not only disingenuous, but it also portrays ill will towards those who may have otherwise invested in New Mexico. If they are duped by the name game, they will be yet another revolving door story for New Mexico when they leave as quickly as they can.

In addition, there has been no consideration given to the residents and existing business owners who are in New Mexico. These people will be confused by the changes and will, no doubt, have increased tax accounting fees in trying to comply with the new state law. Given the depth of engagement the current tax system has on our businesses and daily lives, this should absolutely be stopped.

Simply renaming a bad system will prove to be extremely costly to the state. And to what end? We will still have a tax system that has never worked properly. Having two new names is no consolation and would result in unnecessary taxpayer time, money, and resources.

On behalf of hard-working New Mexicans and businesses, and for the reasons stated, NMBC opposes HB 322 Flat Corporate Income Tax Rate and urges you to say 'NO' to its passage.

Thank you,

Carla J. Sonntag  
President and CEO