



GOP TAX REFORM BILL CREATES JOBS AND CUTS TAXES FOR NEW MEXICO RESIDENTS

Tax reform legislation currently being considered by Congress will have a positive impact on the New Mexico economy.¹ If the current legislation is approved, New Mexico can expect its economy to grow by an additional 21.9% over the next 10 years.² That's good news for New Mexico businesses, workers and taxpayers.

Expected Benefits from The Conference Plan

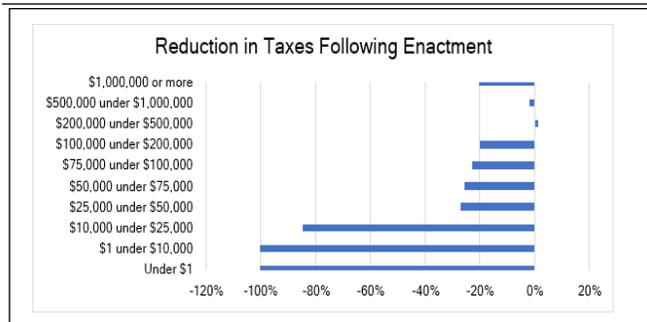
YEAR	JOBS	WAGES	ECONOMIC OUTPUT
2018	36,169	\$1,183,425,800	\$4,607,385,400
2019	18,188	\$609,860,100	\$2,364,424,000
2020	35,924	\$1,244,114,000	\$4,796,467,000
2021	38,012	\$1,351,322,500	\$5,186,491,900
2022	36,184	\$1,293,254,900	\$4,961,227,500
2023	28,894	\$1,035,962,100	\$3,974,074,600
2024	22,825	\$816,014,900	\$3,134,282,400
2025	19,349	\$706,956,100	\$2,701,977,600
2026	17,646	\$644,775,100	\$2,463,147,400
2027	18,012	\$661,065,000	\$2,521,926,700

TAX REFORM BENEFITS BOTH BUSINESSES AND WORKERS

The changes to the corporate tax will benefit New Mexico businesses by providing an influx of capital that can be used to create jobs, increase wages, or invest in the overall economy. In addition, a significant amount of this savings will be passed through to workers through higher wages or benefits.

It is estimated that 36,169 jobs will be created along with an increase in wages by \$1,183,425,800. In particular, the Business and Personal Services, Travel and Entertainment, and Retailing industries will benefit from the Conference proposal and overall, wages will rise by more than 2.3 percent.

NEW MEXICO RESIDENTS WILL SEE TAX CUTS



MOST IMPACTED New Mexico INDUSTRIES

INDUSTRY	JOBS
Business and Personal Services	14,543
Travel and Entertainment	6,229
Retailing	5,531
Finance, Insurance and Real Estate	3,286
Transportation and Communication	1,515
Agriculture	998
Wholesaling	872
Other	804
Manufacturing	755
Government	741
Mining	473
Construction	422

New Mexico taxpayers, especially those in the middle to lower classes, will see their taxes reduced by as much as 18.7 percent in the year following the enactment of the Conference proposal. These cuts occur across the board, with people in all income groups seeing a reduction.³

¹ According to a study released by John Dunham & Associates and local policy groups.

² Total growth over 10 years above the CBO baseline.

³ Note that some reductions might actually be larger than 100% due to certain refundable tax credit provisions. Does not include taxes paid due to repatriation or movement to territorial system