

## **Financial Relief Coming for New Mexicans**

**By Senator Pete Campos**

Amid high motor fuel costs and rising home heating costs, the New Mexico Legislature is working to bring financial relief quickly to New Mexicans who need it most.

Area residents who commute to jobs in communities like Santa Fe or Los Alamos know all too well that high fuel costs have forced them to shift their spending patterns. Those shifts will ultimately affect the local economy, as each of us has less and less money available to spend on dining out, movies and entertainment because we are spending more and more of each week's paycheck on gasoline and other items impacted by high energy costs.

A financial-relief package developed by the legislature is designed to put more cash into peoples' pockets as fast as possible.

Under a proposal developed by the senate, income taxes will be cut, lower-income New Mexicans will get tax rebates and everyone will benefit from a three-day sales tax holiday in early December. Specifically, married couples filing jointly with taxable incomes of less than \$24,000 and individuals with taxable incomes of less than \$16,000 would get tax rebates — checks mailed right to their homes. The income tax cuts approved in 2003, but delayed earlier this year, have been put back on track, which means the top income tax bracket drops from 6 percent to 5.7 percent this year and down to 5.3 percent next year. Also, a sales tax holiday for goods costing less than \$500 was approved for the first weekend in December.

The total tax relief package is about double the \$75 million proposed by the governor. We are fortunate that due to prudent fiscal policies, our state has a budget surplus that allows policymakers to consider tax rebates and other financial relief for residents.

The legislature's intent is to assist residents with high energy prices. It is our hope that this extra money will help pay for a utility or fuel bill, maybe going out to eat on a weekend or even making a payment on a loan.

As for direct energy assistance to those who need it most, the senate appropriated \$23 million for home energy assistance programs and \$4 million for home weatherization

programs.

We are also very aware of the toll that high energy prices have taken on the budgets of public services, so we have appropriated \$4 million for public school heating costs, \$3 million for public school transportation costs, \$4.5 million for higher education utility and fuel costs, \$2 million for volunteer fire department fuel costs and \$2 million for county sheriff fuel costs.

It is unknown how these proposals will fare in final legislative negotiations and in discussions with the governor, but I am confident that the ultimate agreement will benefit New Mexicans.