

April 7, 2005

HOUSE EXECUTIVE MESSAGE NO. 38

The Honorable Ben Luján and
Members of the House of Representatives
State Capitol Building
Santa Fe, New Mexico 87501

Honorable Speaker Luján and Members of the House:

Pursuant to the Constitution of the State of New Mexico, Article IV, Section 22, I hereby VETO and return HOUSE GOVERNMENT AND URBAN AFFAIRS COMMITTEE SUBSTITUTE FOR HOUSE BILL 581, as amended, which was enacted during the Forty-Seventh Legislature, First Session, 2005.

The basis for this action is that this bill provides for the imposition of local option compensating tax in jurisdictions where local option gross receipts taxes are imposed; however, the bill is riddled with exemptions that might unfairly subject certain entities to the tax but not others. Accordingly, signature of this bill is not appropriate at this time.

However, I am sympathetic to the need to help New Mexico businesses that must charge taxes while out-of-state businesses do not, thereby realizing a competitive advantage. In the future, I will consider legislation that more fairly and comprehensively addresses this inequity.

Respectfully yours,

Bill Richardson
Governor

HOUSE EXECUTIVE MESSAGE 38
Page 2

RECEIVED FROM THE OFFICE OF THE GOVERNOR:

Time: _____ a.m./p.m.	by:	_____
Date: _____ 2005		Chief Clerk of the House
Time: _____ a.m./p.m.	by:	_____
Date: _____ 2005		Secretary of State