

State of New Mexico

Office of the Governor

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For immediate release
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GOVERNOR BILL RICHARDSON SIGNS HISTORIC TAX-CUT LEGISLATION

SANTA FE - After eight years of gridlock, Governor Bill Richardson signed the historic tax-reduction legislation passed unanimously today by the New Mexico Legislature.

“Today, after eight years of gridlock, after eight years of disagreements and partisan politics, I am proud to say the Governor and the Legislature are working together for the benefit of the state,” Governor Bill Richardson said during a bill-signing ceremony in the Capitol Rotunda. “Our Valentine’s gift to working New Mexico families is this historic tax-reduction package that puts money in their pockets and declares our eagerness to create jobs and grow the economy.”

There are two main components in Governor Bill Richardson’s tax reform package this year:

1. A significant reduction in personal income tax rates and taxes on capital gains, phased in over five years. The Legislature passed the tax cuts today, and the governor signed the bill into law shortly afterward.
2. The formation of a blue-ribbon tax reform commission to look at overhauling our entire tax code, followed by a special legislative session this fall to consider the panel’s recommendations.

“Make no mistake,” Governor Bill Richardson said. “The point of cutting the personal income tax and the capital gains cut is to send an unmistakable message to business leaders - here in this state and across the nation: New Mexico is open for business.

“I challenged the Legislature to get this tax-cut done quickly so we can send that message to business leaders. It took a little longer than I would have like, but we got it done.

“I thank legislators, including the leaders here today who helped make this happen, for working with me to fashion a package that is acceptable to everyone,” Governor Bill Richardson added. “This is historic - a tax cut with unanimous, bipartisan support.

With the tax-reduction package signed into law, Governor Bill Richardson said he and the Legislature will continue to work together to implement the rest of his agenda that won overwhelming support last November.

“We will reform public schools,” Governor Bill Richards said. “We will deal with the health care of New Mexico’s citizens. And we will get a start on a statewide plan for the state’s water problems.

“New Mexico has a functioning government again - Democrats working with Republicans - the Governor working with the Legislature - to move our state forward for all our people.”