



State of New Mexico

Office of the Governor

Bill Richardson
Governor

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28 states have higher taxes than New Mexico

*New Mexico moves from 10th to 29th in the nation
in ranking of heaviest tax burden*

SANTA FE - Governor Bill Richardson praised a new national report that boosts New Mexico's reputation as a business-friendly state that taxes its residents less than 28 other states.

New Mexico is now ranked 29th in the nation in terms of heaviest tax burden - a dramatic improvement from the state's ranking of 10th in 2000, according to a study by the Tax Foundation, a Washington D.C.-based research group.

The state's attractive tax climate was cited in a *Wall Street Journal* article that pointed to New Mexico's personal-income tax cut, pushed by Governor Richardson, as one of the reasons for the state's favorable tax climate. The *WSJ* article also quotes a California couple who plan to move to New Mexico, in part, because of the income-tax cut.

"New Mexico is a state that is on the move," Governor Bill Richardson said. "This report validates our efforts to cut taxes as a tool to create high-wage jobs and continue to grow New Mexico's economy."

In addition to cutting the personal-income tax, Governor Richardson, working with the New Mexico Legislature, cut the capital-gains tax by 50 percent, and more recently, eliminated the regressive tax on food and many medical services. The *Wall Street Journal* mentioned the food-tax cut in today's edition.

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