



State of New Mexico

Office of the Governor

Bill Richardson
Governor

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Governor Bill Richardson to push for tax cuts for Working families

LAS CRUCES - Governor Bill Richardson today unveiled a bold tax-cut package called "BAT," Breaks for All Taxpayers, which will provide needed tax relief to seniors, single parents, and low and middle-income working families.

One of the highlights of the plan is an opportunity for all New Mexicans to have a one-day "**sales tax holiday**" for back-to-school expenses, which could potentially save families hundreds of dollars in taxes as they get their kids ready for school with clothes, supplies, even computers.

"The new cuts I am proposing are fiscally responsible, affordable and sustainable," Governor Bill Richardson said. "At a time when home energy costs, gasoline costs, health care costs and college tuition are increasing, it is time to provide relief to our hard working families, seniors and single parents.

"State revenue is up. Personal income is up. The state is moving forward. We can afford to give relief, and taxpayers need it.

"If my plan is passed in the 2005 legislative session, more than 1 million New Mexico taxpayers will have experienced lower taxes since the day I came into office."

Here is a summary of the BAT Initiative:

1. **One-day “tax holiday”** each year to help families cut back-to-school costs, spur more retail activity and keep our tax dollars here in New Mexico. On this “tax holiday,” New Mexicans won’t pay taxes on retail purchases for items under \$2,500.
2. **Income tax exemption for low and middle-income households** worth up to \$3,000 for each family member.
3. **Expansion of the \$2,500 exemption for New Mexico’s senior citizens**, eventually including all seniors. The goal is to make New Mexico attractive to more retirees.
4. **Tax break for single parents filing as head-of-household.** The tax cut targets relief for single moms and dads.

A summary of the tax-cut proposal can be seen by clicking on the link on the September 2004 Press Release page.

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