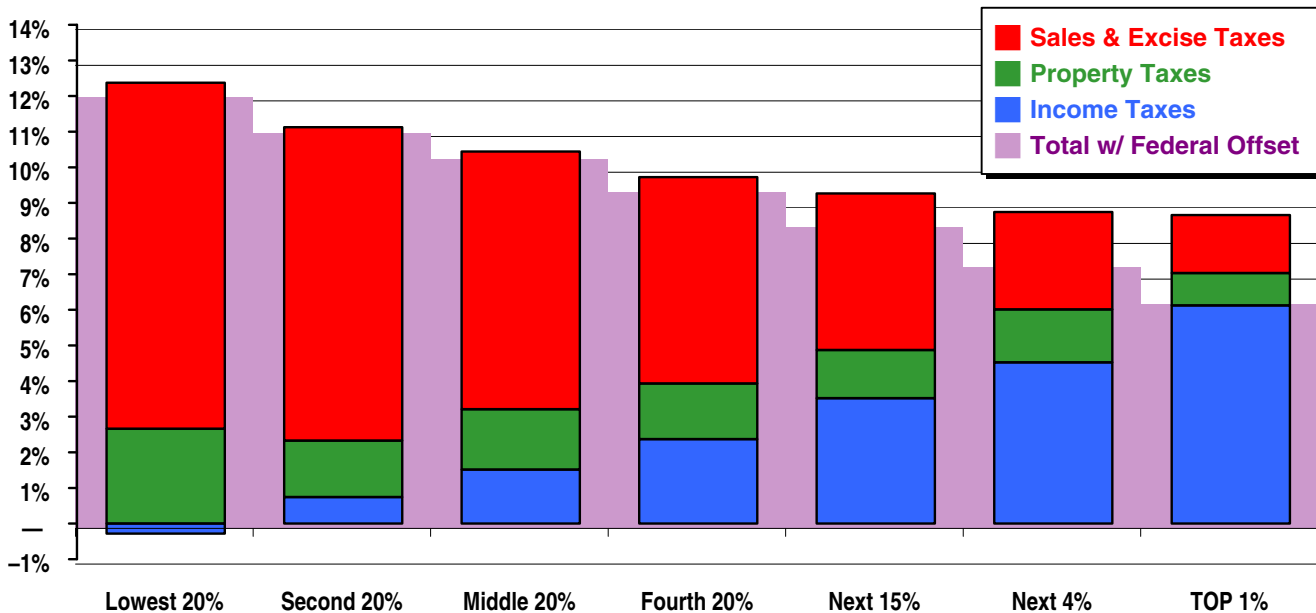


New Mexico

State & Local Taxes in 2002

Shares of family income for non-elderly taxpayers



Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Income Range	Less than \$13,000	\$13,000 – \$23,000	\$23,000 – \$36,000	\$36,000 – \$60,000	\$60,000 – \$112,000	\$112,000 – \$243,000	\$243,000 or more
Average Income in Group	\$7,800	\$18,300	\$28,700	\$46,000	\$79,100	\$148,600	\$610,900
Sales & Excise Taxes	9.7%	8.8%	7.2%	5.8%	4.4%	2.7%	1.6%
General Sales—Individuals	6.3%	5.7%	4.8%	3.9%	3.0%	1.9%	1.2%
Other Sales & Excise—Ind.	1.3%	1.2%	1.0%	0.7%	0.6%	0.3%	0.1%
Sales & Excise on Business	2.1%	1.9%	1.5%	1.2%	0.9%	0.5%	0.3%
Property Taxes	2.7%	1.6%	1.7%	1.6%	1.4%	1.5%	0.9%
Property Taxes on Families	2.6%	1.5%	1.6%	1.5%	1.2%	1.2%	0.5%
Other Property Taxes	0.0%	0.1%	0.1%	0.1%	0.1%	0.3%	0.4%
Income Taxes	-0.3%	0.7%	1.5%	2.4%	3.5%	4.5%	6.1%
Personal Income Tax	-0.3%	0.7%	1.5%	2.3%	3.5%	4.4%	5.9%
Corporate Income Tax	0.0%	0.1%	0.0%	0.0%	0.1%	0.1%	0.2%
TOTAL TAXES	12.1%	11.1%	10.4%	9.7%	9.3%	8.7%	8.7%
Federal Deduction Offset	-0.0%	-0.0%	-0.1%	-0.3%	-0.8%	-1.4%	-2.4%
TOTAL AFTER OFFSET	12.1%	11.1%	10.4%	9.5%	8.5%	7.3%	6.3%

Note: Table shows 2002 tax law at 2000 income levels.

New Mexico Details

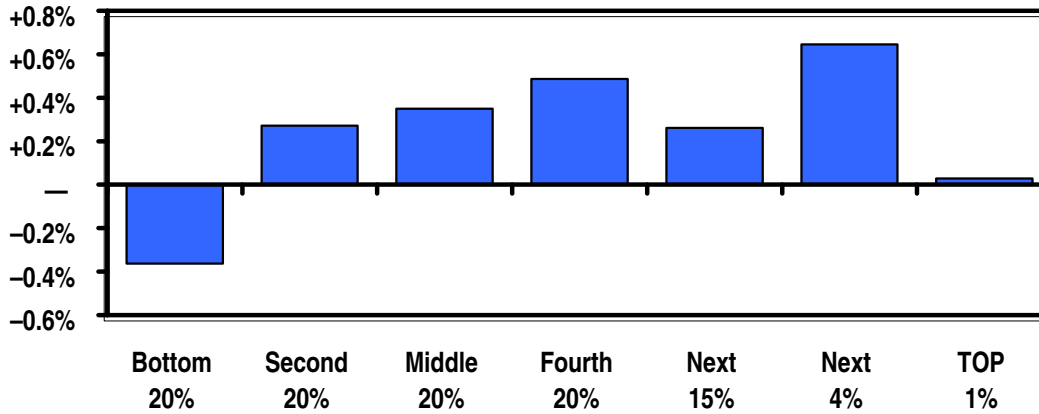
Progressive Features

- ✓ Refundable low income credit
- ✓ Graduated structure
- ✓ Small head of household exemption
- ✓ Credit for prescription drugs

Regressive Features

- ✗ Sales tax on food and drugs
- ✗ High reliance on sales tax
- ✗ Deduction for state income taxes

Changes in Tax as Share of Income, 1989 - 2002

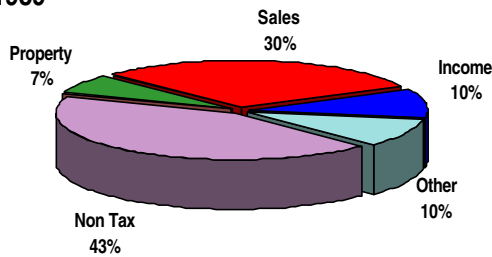


	Bottom 20%	Second 20%	Middle 20%	Fourth 20%	Top 20%		
					Next 15%	Next 4%	TOP 1%
Sales & Excise	-0.2%	-0.1%	-0.1%	-0.1%	-0.1%	-0.0%	-0.0%
Property	+0.3%	+0.4%	+0.4%	+0.4%	+0.0%	+0.2%	-0.0%
Income	-0.5%	+0.1%	+0.0%	+0.2%	+0.5%	+0.7%	+0.8%
Federal Offset	-0.0%	-0.0%	-0.0%	-0.1%	-0.2%	-0.2%	-0.7%
Overall Change	-0.4%	+0.3%	+0.3%	+0.5%	+0.3%	+0.6%	+0.0%

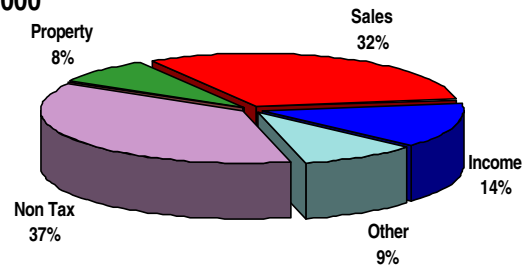
A Low Income Comprehensive credit and prescription drug credit took the place of a generous credit for food and medicine. The gross receipts tax increased a quarter percent.

Composition of Revenues

1989



2000



Source: Government Finances, US Department of Census