

# Gross Receipts Tax

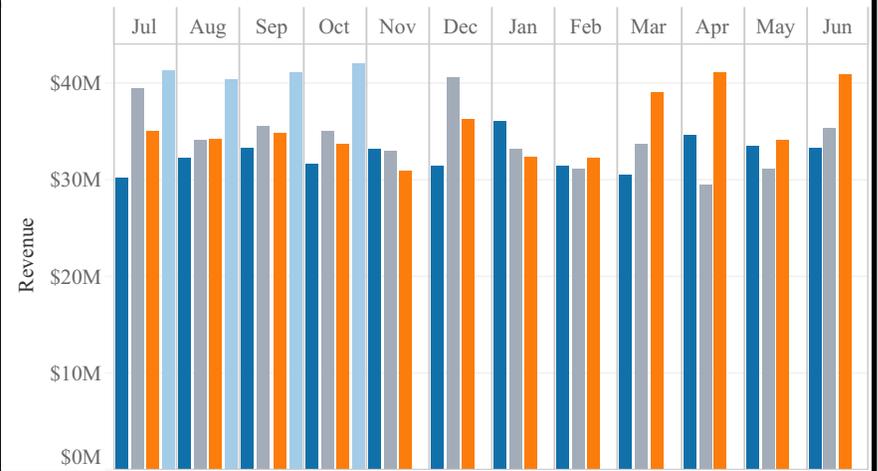
Gross receipts tax (GRT) is similar to a sales tax, except that it is imposed on the retailer and applied to their gross receipts, or sales; nevertheless, this tax is almost always passed on to the consumer.

**GRT is estimated to comprise**  
**66.4%**  
**of the City's General Fund**  
**and**  
**35%**  
**of the entire operating budget.**

The City receives GRT revenue distributions from the State of New Mexico (State) two months after the month of business activity. For example, revenues for July business activity are collected by the New Mexico Taxation and Revenue Department (TRD) in August and then distributed to the City in September. The City monitors GRT growth as measured by the State shared 1.225% revenue increment, which tends to be the least volatile revenue source. New Mexico has a statewide tax rate of 5.0% and shares with each municipality 1.225% of the statewide gross receipts paid by taxpayers doing business within the City.

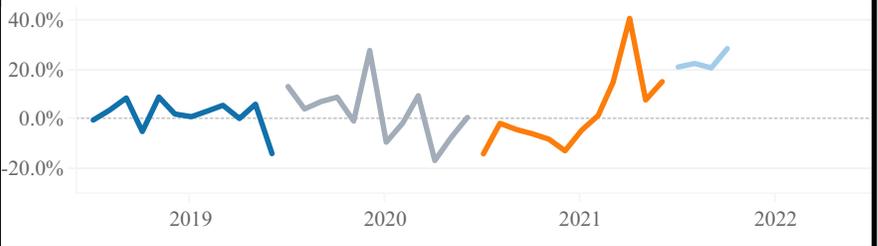
## Monthly Revenues

### ABQ Monthly General Fund Revenues



## GRT Tax Base Growth

### Based on 1.225% State Shared Distribution



#### Filter

- Fiscal Year
- FY19
  - FY20
  - FY21
  - FY22

#### Legend

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#### Final 1.225% Growth (FY19-FY21)

**0.8%**    **2.4%**    **-1.7%**

#### YTD 1.225% Growth (FY22)

**28.7%**

### Important Information about the data we want you to know:

- In FY20, the City began accounting for a NM Taxation & Revenue Department Administrative Fee of 3% of local increment revenues. This increases the annual revenue by about \$6 million which is offset by a corresponding expense.
- In FY/20 and FY/21 the State shared a portion of its internet sales revenue with municipalities. Beginning in FY/22, cities began receiving internet sales revenue based on local tax increments; however, the City is currently unable to determine how much additional GRT is generated by internet sales.