

Lawmakers brace for Liquor Excise Tax decrease

Written by By Babette Herrmann Sun Editor
Friday, 12 June 2015 15:03

Both City of Gallup Council and McKinley County Board of Commissioners passed a joint resolution to budget and to closely monitor how they allocate Liquor Excise Tax dollars.

Despite the tax being raised from 5 to 6 percent this past fiscal year, both county and city officials said they expected the projected the tax revenue would bring in \$1.1 million, but now expect that amount to be in the ballpark of \$900,000 when the remaining receipts for fiscal year 2015 filter in.

This predicted shortfall is based on the nearly \$718,000 that filtered into coffers from July 1 - April 30.

“We really are a little perplexed about the the numbers,” City Attorney George Kozeliski said.

The joint resolution, “Directing the Allocation and Distribution of the Fiscal Year 2016 Projected Liquor Excise Tax Revenue,” states because of the lower than expected revenue, both city and county officials decided to take a more conservative spending approach moving into fiscal year 2016.

For starters, \$500,000 has been set aside for future allocation.

Here’s fiscal year 2016 Liquor Excise Tax allocation:

- Gallup Detox Center will receive \$220,000. About 10 percent will come from the city and 10 percent from the county.
- The City of Gallup will receive \$300,000 to go toward their Community Service Aide program. These are the vans, and officers, that retrieve intoxicated people from the streets and take them to detox.

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- McKinley County to earmark \$200,000 for the Juvenile Substance Abuse Crisis Center and \$100,000 toward the DWI program.

City and county officials will meet toward the end of the calendar year, which is about halfway through the 2016 fiscal year, to discuss allocation of the remaining \$500,000.

Officials won't know the final dollar outcome for fiscal year 2015 until the state submits the Liquor Excise Tax report to the county and city, which could be as late as August.