

ALBUQUERQUE—Dr. Veronica C. García, Ed.D., executive director of New Mexico Voices for Children, issued the following statement regarding legislation (SB 281) that would reinstate the gross receipts tax on the purchase of food for consumption at home:

“We are deeply concerned that legislation has been introduced that would increase the cost of buying groceries for New Mexico families. While we agree that the state must raise new revenue in order to adequately fund programs and services that are vital for our families, communities and economy, this would be the worst possible way in which to do that.

“It should come as no surprise that New Mexico is in this current budget crunch. For well over a decade we’ve been cutting taxes for the wealthy, out-of-state corporations, and special interest groups. We were told these cuts were necessary in order to create jobs, but those jobs have never materialized. Instead, the cuts simply drained away money that is needed to properly fund services such as education, health care, and public safety—and now those services are being cut. Some of the deepest cuts are to behavioral health care, school-based health centers, and higher education, and Medicaid is being underfunded. To continue these tax breaks in the face of evidence that they don’t work, while the state desperately needs new revenue, is irresponsible. To replace this lost revenue by taxing something that is critical for human life is unconscionable.

“There are several bills before the Legislature that would raise revenue without imperiling the health of New Mexico’s children—legislators could repeal the ineffective income tax deduction for capital gains (HB 220 and HB 79), return some fairness to our tax system by raising the rate on highest income earners (HB 255 and HB 126), freeze the phase-in of the corporate income tax cuts enacted in 2013 (SB 252 and SB 90), and tax all goods purchased through the internet (SB 22). We hope the Legislature chooses one or more of these bills instead of taxing food.

“Last year, New Mexico Voices for Children conducted a health impact assessment on the food tax and found that the tax could harm the health of New Mexico families, many of whom already struggle to put enough food on the table. It would impact those who receive SNAP because the benefits are neither enough, nor intended to meet a family’s entire food needs. Even with SNAP benefits, school meal programs, and food pantries, low-income New Mexicans still must skip about three meals a week. Middle income New Mexicans would also be harder hit by a food tax than would the wealthiest New Mexicans.

“New Mexico has the highest rate of child poverty in the nation, the highest unemployment rate, and the third highest child food insecurity rate. We know that poverty is a hindrance to learning, and this was even confirmed by a report on the school grading system that the Legislative Education Study Committee presented just yesterday. Why would we do anything that could make child poverty and hunger worse?”