

NM Offers \$50M to Settle Tax Lawsuit

“The state of New Mexico has agreed to pay \$50 million to resolve allegations that it failed to share tax revenue accurately with more than 40 cities and counties. The agreement isn’t final and still must be approved by each of the plaintiffs. It centers on a 2018 lawsuit that accused the state Taxation and Revenue Department of shorting cities and counties some of the money they use to pay for law enforcement,” reports Dan McKay in Albuquerque Journal.

“A top executive at the New Mexico Municipal League, at one point, estimated the state might owe \$100 million to local governments. The state denied the allegations in court filings. To resolve the lawsuit, the state has agreed to make a one-time payment of \$50 million, which would be shared by the local governments. Cities and counties will next evaluate whether to sign off on the proposed agreement.”

Read the article.