



1/16TH HEALTHCARE GROSS RECEIPTS TAX-12003

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	Actuals FY 2006	Actuals FY 2007	Estimated FY 2008	Budget FY 2009	% Var	Budget FY 2010	% Var
Operating Expense	-	-	-	-	-	-	-
Capital Expenditures	-	-	1,473,720	2,612,396	77%	-	-100%
Carryovers	-	-	1,319,877	7,387,604	460%	-	-100%
PROGRAM TOTALS	-	-	2,793,597	10,000,000	258%	-	-100%

PURPOSE:

The County Health Care Gross Receipts Tax Fund was created as a result of the enactment of a 1/16th gross receipts tax, in accordance with state statute (7-20E-18, NMSA 1978). This legislation allows the County to implement and dedicate up to 2/16% gross receipts tax for health care related costs.

The first 1/16% Healthcare Gross Receipts Tax increment must be dedicated to support the County-supported Medicaid Fund. The second 1/16% Indigent Healthcare Gross Receipts Tax increment can be imposed for a period not to surpass June 30, 2009. Revenue generated from the second 1/16% gross receipts tax must be dedicated to the support of indigent patients.

The County's Health Care Fund generates approximately \$10M in revenue per fiscal year. The County currently utilizes this special revenue for different purposes. In FY09 approximately \$2M of this revenue will be applied to offset costs associated with the operation of the Health Services Unit (HSU) at the Metropolitan Detention Center (MDC). The remainder of the GRT proceeds will be utilized to fund community health care related projects.

In Fiscal Year 2010, no revenue is budgeted for this fund as the tax will sunset on June 30, 2009. Bernalillo County will actively seek reenactment of this legislation, as its benefits are essential to the operation and long-term goals of the County in terms of meeting health care initiatives.