

# TAOS ECONOMIC REPORT

A Public Service Project of the Taos County Chamber of Commerce

**DRAFT**

**Economic Indicators and Statistics - 3rd - Quarter 2008**

## GROSS RECEIPTS

New Mexico levies a tax on most business and personal services, including construction. The broadly-based statistic of gross receipts reported provides a good measure of economic trends. It is especially useful because it is a tabulation rather than an estimate and normally is the first economic statistics report issued. The format of the reports was changed in October 2003 to replace the Standard Industrial Classification System (SIC) in popular use since the early 1980s with the North American Industry Classification System (NAICS).

**Table 1. Gross Receipts Reported, Taos County, NM 2007, \$**

Industry Sectors	2007	% 07
Agriculture, Forestry & Hunting	1,963,167	0.2%
Mining & Oil Gas Extraction	*	
Utilities	45,828,386	5.3%
Construction	149,684,007	17.2%
Manufacturing	23,854,939	2.7%
Wholesale Trade	37,903,189	4.3%
Retail Trade	315,216,071	36.1%
Transportation & Warehousing	3,067,181	0.4%
Information & Cultural Industries	16,931,700	1.9%
Finance & Insurance	7,597,497	0.9%
Real Estate & Rental & Leasing	22,083,316	2.5%
Professional, Scientific & Technical Serv	25,811,052	3.0%
Mgmt of Companies and Enterprises	*	
Admin & Support, Waste Mgt. & Remed.	8,739,349	1.0%
Educational Services	1,726,558	0.2%
Health Care & Social Assistance	33,970,194	3.9%
Arts, Entertainment & Recreation	6,892,210	0.8%
Accommodations & Food Services	89,834,340	10.3%
Other Services, Except Public Admin	78,052,670	8.9%
Unclassified Establishments	2,297,658	0.3%
<b>Totals</b>	<b>872,355,898</b>	

\* Data withheld due to disclosure guidance.

Source: New Mexico Taxation & Revenue Department, Quarterly RP-80 annualized.

■ = Decrease from same period of the earlier year.

As shown in Table 1, Retail Trade dominates the gross receipts reported statistic in Taos County, at 36.1% of the total. Services (defined for this report as the sum of the ten industries Professional, Scientific and Technical Services through Unclassified Establishments) follows at 28.4%. Other large industries not a part of services include Construction at +17.2%.

**Table 2. Gross Receipts Reported, Taos County, NM, Recent Quarters**

Qtr / Yr	Rpt Gross Rcpts	% Cg f/Prv Pd	% Cg CPI (U)	% Cg Adj
1st / 04	195,072,830	-0.9%	1.8%	-2.7%
2nd / 04	188,010,462	17.5%	2.9%	14.6%
3rd / 04	199,717,163	-0.1%	2.7%	-2.8%
4th / 04	211,507,811	25.3%	3.3%	22.0%
<b>2004 Ttl</b>	<b>794,308,267</b>	<b>6.2%</b>	<b>2.7%</b>	<b>3.5%</b>
1st / 05	191,419,875	-1.9%	3.0%	-4.9%
2nd / 05	196,992,325	4.8%	2.9%	1.9%
3rd / 05	222,352,540	11.3%	3.8%	7.5%
4th / 05	240,136,496	13.5%	3.7%	9.8%
<b>2005 Ttl</b>	<b>850,901,236</b>	<b>7.1%</b>	<b>3.4%</b>	<b>3.7%</b>
1st / 06	209,217,561	9.3%	3.6%	5.7%
2nd / 06	234,549,916	19.1%	4.0%	15.1%
3rd / 06	228,702,200	2.9%	3.3%	-0.4%
4th / 06	240,675,635	0.2%	1.9%	-1.7%
<b>2006 Ttl</b>	<b>913,145,312</b>	<b>7.3%</b>	<b>3.2%</b>	<b>4.1%</b>
1st / 07	199,541,070	-4.6%	2.4%	-7.0%
2nd / 07	216,117,299	-7.9%	2.7%	-10.6%
3rd / 07	220,648,518	-3.5%	2.4%	-5.9%
4th / 07	236,049,011	-1.9%	4.0%	-5.9%
<b>2007 Ttl</b>	<b>872,355,898</b>	<b>-4.5%</b>	<b>2.9%</b>	<b>-7.4%</b>
1st / 08	211,947,232	6.2%	4.1%	2.1%
2nd / 08	215,914,322	-0.1%	4.0%	-4.1%
3rd / 08	228,952,013	3.8%	5.3%	-1.5%
4th / 08				
<b>2008 Ttl</b>				

Source: New Mexico Taxation & Revenue Department, Quarterly RP-80 annualized.

Table 2, shows gross receipts reported by quarters and annually since 2004. The four year average growth rate is 4.0%, (3.0% adjusted for inflation). The third and fourth quarters of 2005 and second quarter of 2006 all experienced double digit growth rates. 2007 suffered four consecutive quarters of negative growth. When adjusted for inflation by applying the Consumer Price Index (Urban) a recession was experienced during eight of the previous nine quarters (a negative percentage change over the same time in the previous year for two consecutive quarters defines a "recession". The previous recession in recent times was for the middle quarters of 1997.

**Table 3. Gross Receipts Reported, Dollars, Taos County, New Mexico, Third Quarter 2004 Through 2008**

Table 3 compares gross receipts reported in the Third Quarters of 2004 through 2008 for the major industrial sectors of the North American Industry Classification System (NAICS).

Industry Sectors	3rd Quarter					\$ Change 3rd Q-07/08	% Change 3rd Q-07/08
	2004	2005	2006	2007	2008		
Agriculture, Forestry & Hunting	532,589	502,937	417,595	581,611	656,268	74,657	12.8%
Mining & Oil Gas Extraction	*	*	147,167	228,456	*		
Utilities	6,992,353	7,901,332	8,845,422	8,233,478	9,410,109	1,176,631	14.3%
Construction	37,266,050	42,800,304	41,903,018	32,097,979	36,439,587	4,341,608	13.5%
Manufacturing	5,663,373	6,929,043	5,846,347	5,980,164	6,935,276	955,112	16.0%
Wholesale Trade	9,856,042	10,936,940	12,517,247	9,264,530	9,815,636	551,106	5.9%
Retail Trade	77,432,243	78,466,766	79,826,516	81,056,451	79,214,301	(1,842,150)	-2.3%
Transportation & Warehousing	1,343,999	919,602	847,521	693,692	665,220	(28,472)	-4.1%
Information & Cultural Industries	3,083,581	4,008,977	4,177,509	4,264,815	6,816,387	2,551,572	59.8%
Finance & Insurance	1,620,035	1,806,304	1,909,069	1,820,376	1,730,083	(90,293)	-5.0%
Real Estate & Rental & Leasing	3,411,321	5,482,779	5,670,452	5,463,952	5,249,036	(214,916)	-3.9%
Professional, Scientific & Technical Services	3,877,678	5,595,530	7,044,031	6,363,903	7,969,828	1,605,925	25.2%
Management of Companies and Enterprises	4,592			*			
Admin & Support, Waste Mgt. & Remed.	624,307	571,137	1,819,201	2,607,260	2,877,588	270,327	10.4%
Educational Services	368,104	381,941	295,196	596,794	241,812	(354,982)	-59.5%
Health Care & Social Assistance	6,519,800	8,606,960	8,868,177	7,535,384	8,498,264	962,880	12.8%
Arts, Entertainment & Recreation	1,386,978	1,555,172	2,249,977	1,970,855	1,249,052	(721,803)	-36.6%
Accommodations & Food Services	20,778,251	21,971,526	22,196,604	29,346,671	26,935,125	(2,411,546)	-8.2%
Other Services, Except Public Administration	18,737,343	23,766,194	24,858,273	22,540,576	21,110,774	(1,429,802)	-6.3%
Unclassified Establishments	196,231	*	(737,123)	4,021	394,581	390,560	9713.0%
<b>Totals</b>	<b>199,717,163</b>	<b>222,352,540</b>	<b>228,702,200</b>	<b>220,648,518</b>	<b>228,952,013</b>	<b>8,303,495</b>	
		<b>11.3%</b>	<b>2.9%</b>	<b>-3.5%</b>	<b>3.8%</b>		

■ Loss from previous reporting period.

Source: New Mexico Taxation and revenue Department, Quarterly RP-80.

\* Data withheld due to disclosure guidance.

Two of the five largest Industry Sectors in the third quarter of 2008 had positive growth. Construction (15.9% of the total) gained \$4,341,608 (+14.3%). Wholesale Trade (4.2% of the total) gained \$551,106 (+5.9%). The remaining three industries had negative growth. Accommodations and Food Service (11.7% of the total) -\$2,411,546 (-8.2%). Other Services, Except Public Administration (9.2% of the total) lost -\$1,429,802 (-6.3%). Retail Trade (34.5% of the total) lost -\$1,842,150 (-2.3%). Even with the growth in Construction of \$4,341,608, that sector continued to report less than the values for 2004, 2005 and 2006.

Seven of the Industry Sectors experienced at least double digit growth rates in the third quarter of 2008. Those sectors experiencing were Information and Cultural Industries 59.8%, Professional, Scientific and Technical Services 25.2%, Manufacturing 16.0%, Utilities 14.3%, Agriculture, Forestry and Hunting 12.8%, Health Care and Social Assistance 12.8% and Admin and Support Waste Management and Remed 10.4%.

Tables 4 and 5 list the "Top Ten" Industries that either gained or lost in quarterly gross receipts reported.

**Table 4. Top 10 NAICS Industry Gainers in Gross Receipts Reported, Dollars, Third Quarters, 2007 to 2008**

		\$ Change 3rd Quarter 07 - 08	% Chg 3rd Quarter 07 - 08	% Gain of Top 10 Gainers
513300	Telecommunications	1,533,807	38.8%	18.2%
339900	Other Miscellaneous Manufacturing	1,177,541	55.1%	14.0%
235000	Special Trade Contractors	1,139,088	15.8%	13.5%
422900	Other Miscellaneous Non Durable Goods Wholesalers	752,195	276.7%	8.9%
541000	Professional, Scientific and Technological Services	722,939	47.4%	8.6%
444100	Building Material and Supply Dealers	715,493	14.0%	8.5%
514100	Information Services (includes News Syndicates)	672,947	4277.3%	8.0%
421990	Other Miscellaneous Durable Goods Wholesalers	627,629	12.3%	7.4%
233000	Building, Developing and General Contracting	600,705	3.4%	7.1%
622000	Hospitals	489,098	13.6%	5.8%
<b>Total</b>		<b>8,431,442</b>		

The Top 10 gainers had no dominant industry. Sectorwise, Information and Cultural Industries accounted for \$2,206,754. Construction accounted for \$1,739,793. and Manufacturing accounted for \$1,177,541.

Due to disclosure guidelines there was not an amount reported for Highway, Bridge and Tunnel Construction 234100, for the third quarter of 2007; therefore; no calculation could be performed to display the percentage of change between 2007 and 2008. The contribution to the economy of \$6,058,048 in the third quarter of 2008 was substantially larger than values reported for any earlier year (e.g., \$3,409,785 in third quarter 2004).

**Table 5. Top 10 NAICS Industry Losers in Gross Receipts Reported, Dollars, Third Quarter 2007 to 2008**

		\$ Change 3rd Quarter 07 - 08	\$ Chg 3rd Quarter 07 - 08	% Loss of Top 10 Losers
810000	Other Services (Except Public Administration)	(1,775,089)	-10.3%	20.9%
453000	Other Miscellaneous Store Retailers	(1,582,422)	-7.0%	18.7%
422400	Grocery and Related Product Wholesalers	(1,407,703)	-94.4%	16.6%
722300	Special Food Services (includes Food Service Contracting and Catering)	(1,032,887)	-17.8%	12.2%
721000	Accommodations	(909,994)	-12.3%	10.7%
531000	Real Estate	(904,613)	-22.4%	10.7%
441100	Automobile Dealers	(898,969)	-63.3%	10.6%
321000	Wood Product Manufacturing	(716,267)	-47.5%	8.5%
812000	Personal Laundry Services	(587,233)	-37.5%	6.9%
722110	Full Service Restaurants	(434,390)	-3.5%	5.1%
<b>Total</b>		<b>(8,474,478)</b>		
<b>Difference</b>		<b>(43,036)</b>		

(includes Wal-Mart)

See Table 7

The Top 10 losers had no dominant industry. Sectorwise, Retail Trade accounted for -\$2,481,391., Accommodations and Food Service accounted for -\$2,377,271., Wholesale Trade accounted for -\$1,407,703. Industries in the sector Services (defined here as the sum of the two industries of Other Services and Personal Laundry Services) had the second largest loss at -\$2,362,322.

Table 7 gives more data concerning the -\$214,916. loss in the Real Estate and Rental and Leasing industry sector.

Although Tourism is not a defined industry, it can be measured by proxy industries. As shown in Table 6, the appropriate large proxies under the NAICS format are four: AMUSEMENTS GAMBLING & RECREATION, ACCOMMODATIONS, FULL-SERVICE RESTAURANTS and DRINKING PLACES.

**Table 6. Tourism Indicator, from Gross Receipts Reported, Dollars, Taos County, New Mexico**

		INDUSTRIES					
		Amusements Gambling & Recreation	Accommod- ations	Full - Service Restaurants	Drinking Places	Tourism Total	% Chg from Previous Rpt Period
<b>2004</b>	1st Qtr	933,725	7,940,805	9,468,312	2,824,771	21,167,613	-21.7%
	2nd Qtr	548,407	7,168,407	10,130,410	1,487,331	19,334,555	3.9%
	3rd Qtr	885,693	8,321,405	9,549,451	1,559,140	20,315,689	-17.2%
	4th Qtr	596,976	6,490,430	8,271,699	1,531,747	16,890,852	16.2%
	<b>Annual</b>	<b>2,964,801</b>	<b>29,921,047</b>	<b>37,419,872</b>	<b>7,402,989</b>	<b>77,708,709</b>	<b>-8.4%</b>
<b>2005</b>	1st Qtr	947,742	7,346,153	7,475,764	2,886,821	18,656,480	-11.9%
	2nd Qtr	567,270	6,709,376	8,545,279	1,591,169	17,413,094	-9.9%
	3rd Qtr	890,176	8,732,458	9,842,721	1,680,407	21,145,762	4.1%
	4th Qtr	616,606	6,815,251	8,872,712	1,572,739	17,877,308	5.8%
	<b>Annual</b>	<b>3,021,794</b>	<b>29,603,238</b>	<b>34,736,476</b>	<b>7,731,136</b>	<b>75,092,644</b>	<b>-3.4%</b>
<b>2006</b>	1st Qtr	916,968	5,670,633	7,064,372	2,173,696	15,825,669	-15.2%
	2nd Qtr	521,243	6,645,113	11,367,542	1,600,252	20,134,150	15.6%
	3rd Qtr	799,062	7,500,899	10,304,283	1,976,168	20,580,412	-2.7%
	4th Qtr	755,026	4,845,282	7,971,036	1,813,562	15,384,906	-13.9%
	<b>Annual</b>	<b>2,992,299</b>	<b>24,661,927</b>	<b>36,707,233</b>	<b>7,563,678</b>	<b>71,925,137</b>	<b>-4.2%</b>
<b>2007</b>	1st Qtr	1,068,937	5,580,688	10,069,146	2,737,739	19,456,510	22.9%
	2nd Qtr	556,922	5,450,546	9,929,107	1,643,383	17,579,958	-12.7%
	3rd Qtr	865,496	7,422,881	12,346,491	1,738,459	22,373,327	8.7%
	4th Qtr	513,730	4,948,469	9,151,025	1,528,308	16,141,532	4.9%
	<b>Annual</b>	<b>3,005,085</b>	<b>23,402,584</b>	<b>41,495,769</b>	<b>7,647,889</b>	<b>75,551,327</b>	<b>5.0%</b>
<b>2008</b>	1st Qtr	795,957	4,954,122	9,953,671	3,663,984	19,367,734	-0.5%
	2nd Qtr	566,407	5,064,233	11,169,034	1,305,696	18,105,370	3.0%
	3rd Qtr	824,646	6,512,887	11,912,101	1,317,331	20,566,965	-8.1%
	4th Qtr	-	-	-	-	-	-
	<b>Annual</b>						


■ = Declines in gross receipts reported from the previous reporting period.

Of the nineteen quarters displayed in Table 6, ten quarters (shaded cells "Tourism Total" column) have seen decreases in the Tourism Index. The third quarter is usually the strongest quarter of Reported Gross Receipts of the four reporting quarters.

With reference to the industry Accommodations, 15 of the 19 quarters had negative growth. The loss of -\$909,994. is 37.7% of the sector loss incurred by Accommodations and Food Service in Table 3.

**Table 7. Residential Property Sold, Multiple Listing Service, Greater Taos Area, Taos County, New Mexico**

3rd Quarter	Property	Number of Listings	% Chg From Prev Year	Dollar Volume	% Chg From Prev Year	Average Price	% Chg From Prev Year	Median Price	% Chg From Prev Year	Average Days On Market	% Chg From Prev Year
2004	Residential	124	31.9%	29,475,684	18.9%	237,707	9.9%	222,500	7.2%	214	-38.9%
2005	Residential	147	18.5%	44,944,698	52.5%	306,086	28.8%	275,000	23.6%	279	30.4%
2006	Residential	124	-15.6%	40,640,311	-9.6%	327,744	7.1%	279,650	1.7%	328	17.6%
2007	Residential	130	4.8%	44,366,488	9.2%	341,281	4.1%	298,000	6.6%	297	-9.5%
2008	Residential	111	-14.6%	35,401,659	-20.2%	327,943	-3.9%	269,000	-9.7%	267	-10.1%

Source: Taos County Association of Realtors  
 Information deemed reliable but not guaranteed.  
 = Decrease or other negative from previous period