

Quarterly Economic Summary

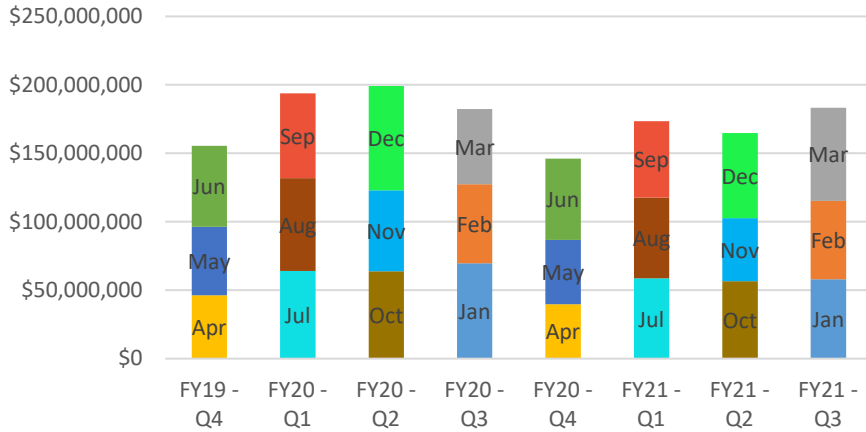
Taos County

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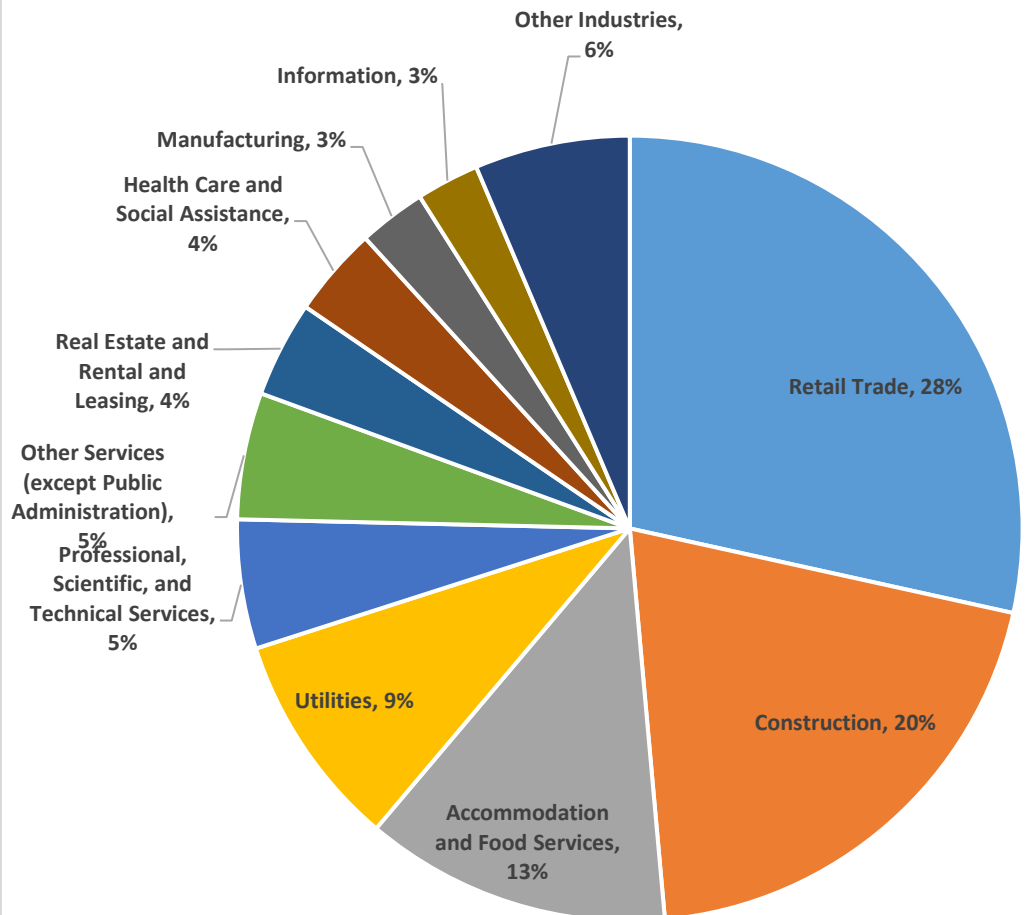
Chart 1. Matched Taxable Gross Receipts Per Quarter



During Q3 FY21, the state started rolling out vaccinations to a significant portion of the adult population. The economic effects of the pandemic waned as restrictions and limits on business capacity were lifted following improving health metrics. These shifts in policy, along with pent up demand, likely led to an increase in consumer spending on taxable goods and services. Though the uncertainty and impacts caused by the pandemic can still be seen, the economic stability of the state and many of its counties continues to improve.

Taos County reported an \$18M, or 11%, increase in its matched taxable gross receipts (MTGR) from Q2 FY21 to Q3 FY21, as seen in Chart 1. This increase was a welcome sight for Taos County, as the previous three quarters had averaged \$161M in reported MTGR. The month of March in Q3 FY21 was the driver in MTGR, reporting nearly \$68M, or \$12M more than the previous twelve-month average for monthly MTGR in the county.

Chart 2. FY21 - Q3 Industry Size by Matched Taxable Gross Receipts



Matched Taxable Gross Receipts (MTGR) are the best tax data available to show underlying economic activity. The data collection process matches a tax payment with reported receipts for each taxpayer by industry.

Quarterly Economic Summary

Taos County



Table 1. Matched Taxable Gross Receipts by Industry

Industries	FY20 - Q3	FY21 - Q3	Growth	Year over year Change
Accommodation and Food Services	\$ 28,810,810	\$ 23,071,811	\$ (5,738,999)	-20%
Administrative/Support & Waste Management/Remediation	\$ 1,848,192	\$ 3,062,896	\$ 1,214,704	66%
Agriculture, Forestry, Fishing, and Hunting	\$ 151,110	\$ 272,024	\$ 120,914	80%
Arts, Entertainment, and Recreation	\$ 2,398,493	\$ 3,181,492	\$ 782,999	33%
Construction	\$ 38,196,976	\$ 36,846,610	\$ (1,350,366)	-4%
Educational Services	\$ 616,626	\$ 706,402	\$ 89,776	15%
Finance and Insurance	\$ 659,924	\$ 669,577	\$ 9,653	1%
Health Care and Social Assistance	\$ 8,904,236	\$ 6,774,099	\$ (2,130,138)	-24%
Information	\$ 8,496,280	\$ 4,739,861	\$ (3,756,419)	-44%
Management of Companies and Enterprises	\$ -	\$ (1,059,039)	\$ (1,059,039)	N/A
Manufacturing	\$ 4,459,078	\$ 5,089,458	\$ 630,380	14%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ -	\$ -	N/A
Other Services (except Public Administration)	\$ 9,302,800	\$ 9,553,484	\$ 250,684	3%
Professional, Scientific, and Technical Services	\$ 10,646,212	\$ 9,741,598	\$ (904,614)	-8%
Public Administration	\$ -	\$ -	\$ -	N/A
Real Estate and Rental and Leasing	\$ 5,375,013	\$ 7,242,896	\$ 1,867,883	35%
Retail Trade	\$ 43,447,556	\$ 52,124,486	\$ 8,676,930	20%
Transportation and Warehousing	\$ 521,657	\$ 217,258	\$ (304,399)	-58%
Unclassified Establishments	\$ 815,541	\$ 560,711	\$ (254,831)	-31%
Utilities	\$ 14,437,619	\$ 16,274,324	\$ 1,836,705	13%
Wholesale Trade	\$ 2,653,265	\$ 4,099,727	\$ 1,446,462	55%
All Industries	\$ 182,373,429	\$ 183,284,113	\$ 910,684	0%

Table 1 shows a reported year-over-year (YOY) increase of \$910K. The retail trade industry reported an increase (\$8.7M or 20%) that outweighed the major declines in the accommodation and food services industry (\$5.7M) and the information industry (\$3.8M). Reported MTGR in the retail trade industry for Q3 FY21 (\$52M) was the largest amount dating back to FY17 and \$6M greater than the 19-quarter average.

Gross receipts tax (GRT) revenue collections increased by \$213K, or 10%, from Q2 FY21 to Q3 FY21, shown in Chart 4.

Chart 3. Annual Total GRT Revenue Collections

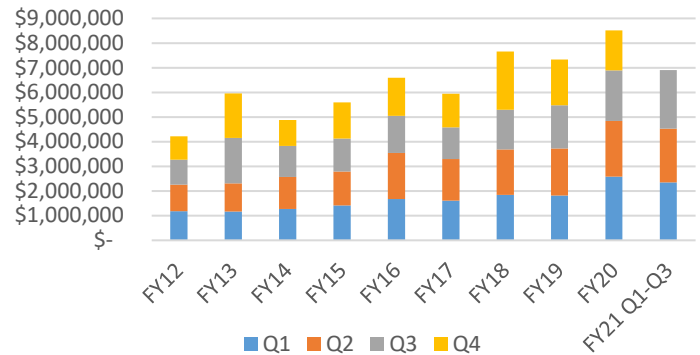


Chart 4. Quarterly GRT Revenue Collections

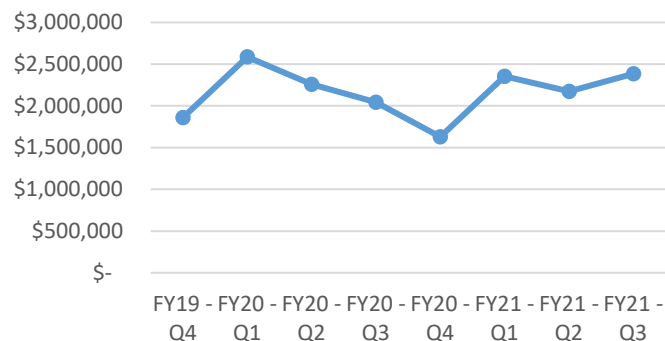
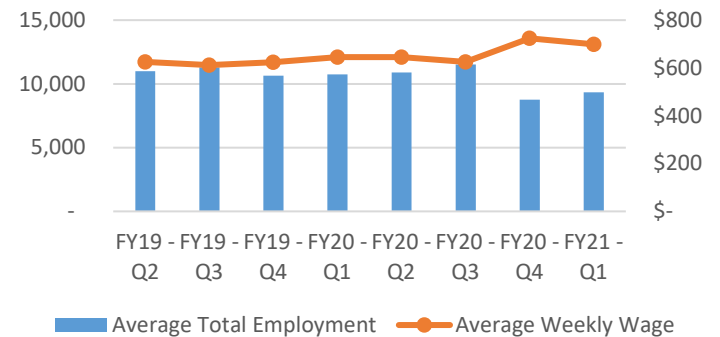


Chart 5. Quarterly Average Total Employment & Weekly Wage

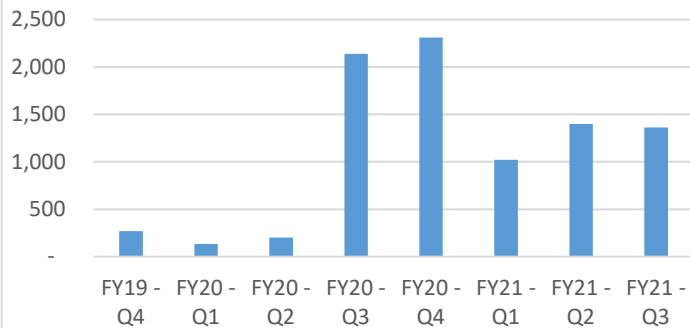


Quarterly Economic Summary

Taos County



Chart 6. Quarterly Initial Unemployment Claims



*Weeks with low IUC amounts have total claims withheld to avoid disclosure of confidential information. The sum of all weeks may not reflect the true total and may include a few days outside of the quarter. Claimants must reapply once a year. Claimants who applied at the beginning of the pandemic may be reapplying, possibly causing an increase in IUC.

A significant increase in initial unemployment claims can be an early indicator of an economic downturn, and a drop can be an early sign of an upturn. However, these numbers are also impacted by seasonal job fluctuations, federal government shutdowns resulting in temporary employee furloughs, or the closing of a major regional facility. The current unprecedented uptick in initial unemployment claims is clearly tied directly to the COVID-19 pandemic. As vaccination levels and other health indicators continue to improve and result in lessened health concerns and fewer business restrictions, these claims should decline, but it is impossible to predict how quickly employment numbers will return to pre-COVID-19 levels.

The **Quarterly Census of Employment and Wages (QCEW)** program publishes a quarterly count of establishments, employment and wages reported by employers, covering more than 95 percent of U.S. jobs. The QCEW data are used as the benchmark source for employment, and this data is far more reliable than the monthly employment survey data in the Current Employment Statistics program often reported in news articles. However, as shown below, this quarterly data has a significant lag time for reporting and does not reflect the same quarter as used in the other charts and tables above. This quarterly QCEW data combined with the other employment data above provide the best overall picture of employment levels using the most reliable data.

Table 2. FY21-Q1 Employment Data and Establishments by Industry

Industry	Average Employment	YOY Change in		Average Weekly Wage	YOY change in		Number of Establishments	YOY Change in Establishments
		Average Employment	Average		Average Weekly Wage	Average Weekly Wage		
Accommodation and Food Services	1,559	-34.4%	\$ 403	3.6%	155	-3.7%		
Administrative/Support & Waste Management/Remediation	231	-10.5%	\$ 750	-1.2%	56	3.7%		
Agriculture, Forestry, Fishing, and Hunting	*	*	*	*	12	20.0%		
Arts, Entertainment, and Recreation	539	-26.3%	\$ 692	19.1%	41	5.1%		
Construction	639	-1.2%	\$ 721	1.3%	155	-8.8%		
Educational Services	654	-11.7%	\$ 639	9.8%	42	5.0%		
Finance and Insurance	191	-1.0%	\$ 828	9.1%	39	2.6%		
Health Care and Social Assistance	1,934	5.2%	\$ 840	2.2%	211	2.9%		
Information	90	-25.6%	\$ 1,051	25.0%	27	3.8%		
Management of Companies and Enterprises	3	*	\$ 3,472	*	3	0.0%		
Manufacturing	187	-24.9%	\$ 655	11.6%	40	0.0%		
Mining, Quarrying, and Oil and Gas Extraction	*	100.0%	*	100.0%	3	-25.0%		
Other Services (except Public Administration)	261	-10.0%	\$ 574	4.7%	87	3.6%		
Professional, Scientific, and Technical Services	243	-4.7%	\$ 854	2.3%	106	-5.4%		
Public Administration	845	-6.3%	\$ 991	1.5%	48	0.0%		
Real Estate and Rental and Leasing	189	-16.7%	\$ 642	22.5%	65	-1.5%		
Retail Trade	1,324	-6.5%	\$ 530	0.8%	184	-4.7%		
Transportation and Warehousing	112	-15.2%	\$ 874	19.1%	33	0.0%		
Utilities	156	0.6%	\$ 1,070	-0.4%	12	0.0%		
Wholesale Trade	105	-8.7%	\$ 935	8.2%	34	-2.9%		
All Industries	9,420	-12.4%	\$ 698	8.4%	1,353	-1.5%		

*Some data may be withheld to avoid disclosure of confidential information.