

Quarterly Economic Summary

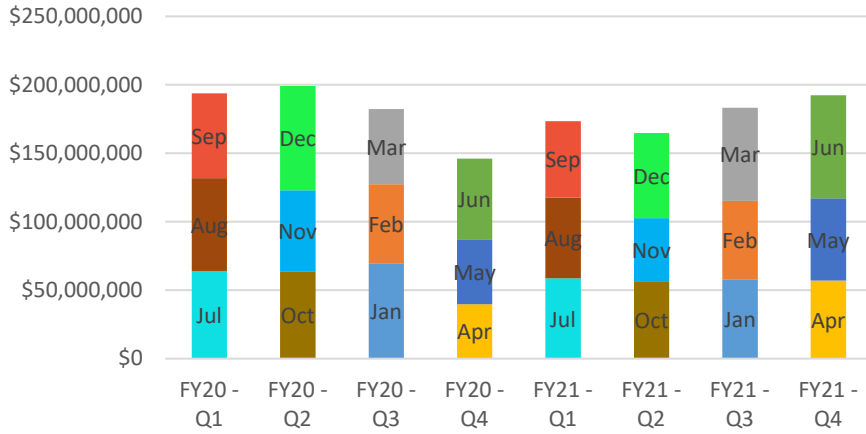
Taos County

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Chart 1. Matched Taxable Gross Receipts Per Quarter

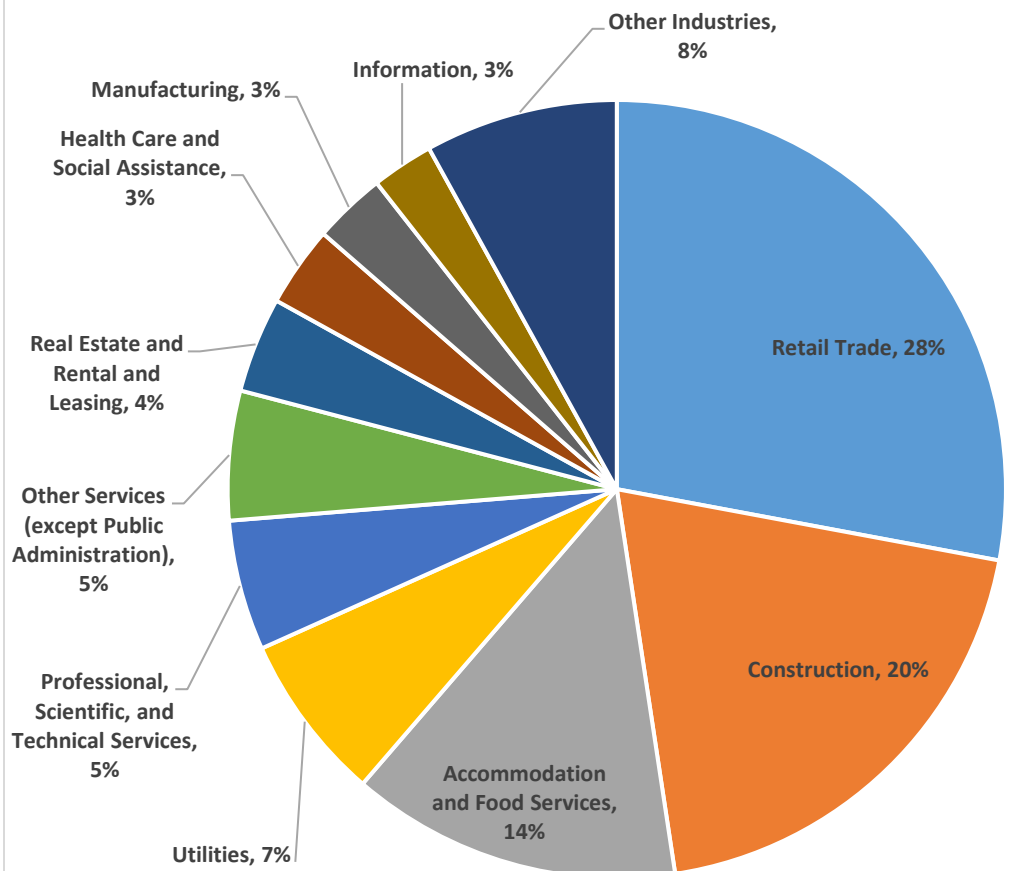


Quarter four of FY21 provides the first full fiscal year of economic effects related to the COVID-19 pandemic. Economic shocks continue globally and throughout the state 18 months after the initial business closures and ensuing impacts. Federal policies, including additional direct payments and tax credits, coupled with pent up demand, led to an increase in consumer spending on taxable goods and services during this quarter, which is likely to continue. Additional pandemic-related shocks could be looming, making state-level efforts to restore the economy critical.

Taos County reported a \$9M, or 5%, increase in its matched taxable gross receipts (MTGR) from Q3 FY21 to Q4 FY21, shown in Chart 1. This increase places Q4 in the top five largest quarters in terms of MTGR. Retail trade, construction, and the accommodation and food services industries remain the top three largest industries by MTGR in Q4 FY21 (Chart 2). Table 1, on page 2, shows the county experienced a year-over-year (YoY)

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.

Chart 2. FY21 - Q4 Industry Size by Matched Taxable Gross Receipts



Quarterly Economic Summary

Taos County



Table 1. FY21 - Q4 Matched Taxable Gross Receipts by Industry

Industries	FY21 - Q4	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 26,336,049	\$ 11,619,201	79%	-2%
Administrative/Support & Waste Management/Remediation	\$ 3,395,195	\$ 1,104,896	48%	66%
Agriculture, Forestry, Fishing, and Hunting	\$ 417,139	\$ 187,611	82%	27%
Arts, Entertainment, and Recreation	\$ 1,980,861	\$ 1,078,754	120%	82%
Construction	\$ 37,732,448	\$ 10,384,252	38%	73%
Educational Services	\$ 970,552	\$ 410,599	73%	60%
Finance and Insurance	\$ 756,126	\$ 169,163	29%	-2088%
Health Care and Social Assistance	\$ 6,427,414	\$ 126,553	2%	10%
Information	\$ 4,927,750	\$ (3,321,410)	-40%	-41%
Management of Companies and Enterprises	\$ 2,362,995	\$ 2,362,995	N/A	N/A
Manufacturing	\$ 5,785,784	\$ 744,418	15%	4%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ (46)	-100%	-100%
Other Services (except Public Administration)	\$ 10,312,298	\$ 1,663,525	19%	2%
Professional, Scientific, and Technical Services	\$ 10,393,320	\$ 1,611,198	18%	17%
Public Administration	\$ -	\$ -	N/A	N/A
Real Estate and Rental and Leasing	\$ 7,614,923	\$ 3,297,046	76%	42%
Retail Trade	\$ 53,601,100	\$ 11,764,589	28%	27%
Transportation and Warehousing	\$ 293,041	\$ 82,007	39%	-35%
Unclassified Establishments	\$ 616,657	\$ 300,800	95%	21%
Utilities	\$ 13,359,239	\$ 2,021,051	18%	23%
Wholesale Trade	\$ 4,588,670	\$ 574,209	14%	16%
All Industries	\$ 192,380,235	\$ 46,170,183	32%	24%

increase of \$46M in Q4 FY21. The real estate, accommodation and food services, and construction industries saw the largest YoY growth, each increasing by over \$10M.

Annual gross receipts tax (GRT) revenue collections increased by \$3.7M, or 43%, from FY20 to FY21, shown in Chart 3. Quarterly GRT revenue collections saw a substantial increase in Q4 FY21, 121% (\$2.9M), from Q3 to Q4. This ranks Q4 FY21 the highest GRT revenue collections for a single quarter in the County's history, totaling \$5.2M for the quarter.

Chart 3. Annual Total GRT Revenue Collections

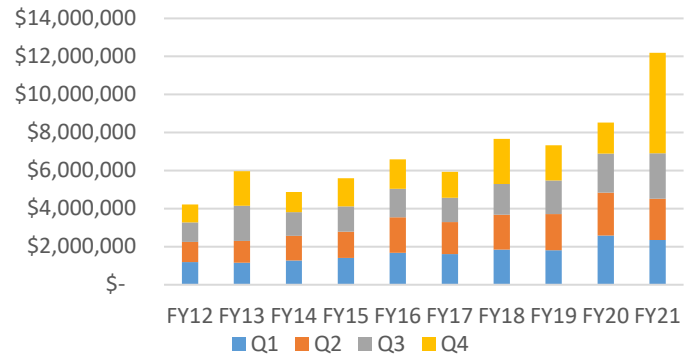


Chart 4. Quarterly GRT Revenue Collections

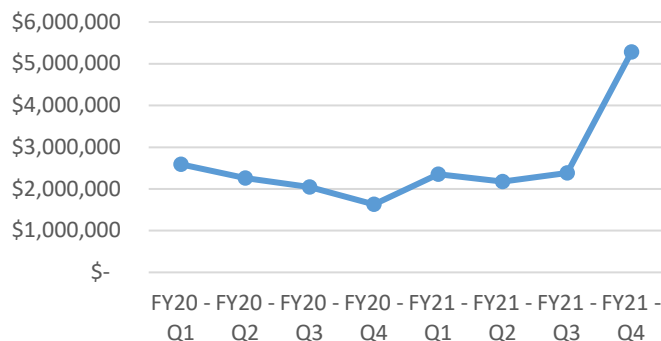
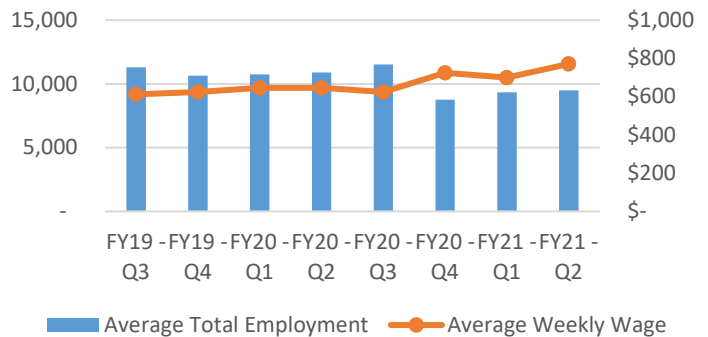


Chart 5. Quarterly Average Total Employment & Weekly Wage

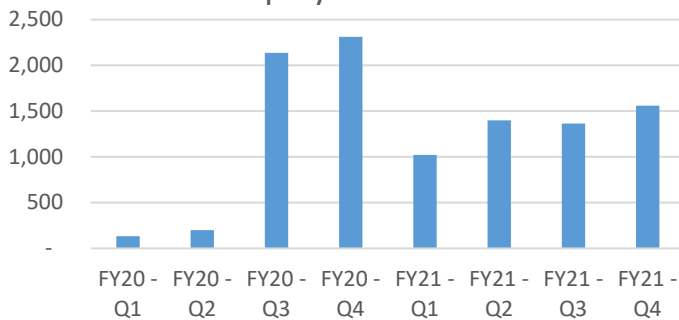


Quarterly Economic Summary

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. Claims that were filed last year, when the pandemic first started, have expired and claimants need to reapply if they are still unemployed.

A significant increase in initial unemployment claims can be an early indicator of an economic downturn, and a reduction 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. 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 (CES)* program often reported in news articles. However, as shown below, QCEW data has a significant lag time before it is reported and does not reflect the same quarter 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-Q3 Employment Data and Establishments by Industry

Industry	Average Employment	YOY Change in Average Employment	Average Weekly Wage	YOY change in Average Weekly Wage	Number of Establishments	YOY Change in Establishments
Accommodation and Food Services	1,285	-42.7%	\$ 407	1.8%	155	-0.6%
Administrative/Support & Waste Management/Remediation	213	4.4%	\$ 797	10.7%	64	28.0%
Agriculture, Forestry, Fishing, and Hunting	*	*	*	*	12	9.1%
Arts, Entertainment, and Recreation	896	-37.4%	\$ 568	5.4%	41	7.9%
Construction	532	-8.7%	\$ 706	9.3%	158	-0.6%
Educational Services	772	-20.4%	\$ 748	19.3%	43	7.5%
Finance and Insurance	191	0.5%	\$ 828	12.7%	43	10.3%
Health Care and Social Assistance	1,989	-1.5%	\$ 794	1.8%	212	1.9%
Information	87	-27.5%	\$ 978	12.5%	30	11.1%
Management of Companies and Enterprises	6	100.0%	\$ 3,282	-39.8%	7	133.3%
Manufacturing	176	-26.4%	\$ 645	20.3%	39	0.0%
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	4	0.0%
Other Services (except Public Administration)	264	-11.1%	\$ 585	14.0%	86	0.0%
Professional, Scientific, and Technical Services	267	-0.4%	\$ 878	-5.7%	120	16.5%
Public Administration	784	-6.4%	\$ 886	2.2%	47	-2.1%
Real Estate and Rental and Leasing	220	-27.6%	\$ 575	10.8%	67	4.7%
Retail Trade	1,330	-7.2%	\$ 551	6.6%	191	2.7%
Transportation and Warehousing	120	4.3%	\$ 808	4.5%	33	0.0%
Utilities	155	0.0%	\$ 945	-1.0%	12	0.0%
Wholesale Trade	98	-8.4%	\$ 1,343	39.0%	33	-2.9%
All Industries	9,525	-18.1%	\$ 684	10.1%	1,397	4.3%

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