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**State Auditor Releases New Mexico Racing Commission Audit**  
*Finds that racing tax revenue collection may fall short*

SANTA FE, NM – The Office of the State Auditor (OSA) released the New Mexico Racing Commission’s annual audit for fiscal year 2015. The audit, completed by the independent accounting firm MP Group, Inc., examined concerns regarding the collection of revenue and racing purses. The findings in the audit shine a light on significant problems that may put tax revenue in jeopardy and place the Commission out of compliance with state law.

“Racing activities are intended to generate tax revenue but our state may be shortchanged, and not receiving the money it is owed,” said State Auditor Tim Keller. “The audit found significant problems that need to be addressed, or the Racing Commission may face further action from our office.”

The audit highlighted two findings. First, the Commission is responsible for ensuring racetracks abide by state law in the payment of certain racing taxes. However, due to a lack of oversight, independent auditing has only occurred during live race sessions and not during the remainder of the year. As a result, the state may have received less tax revenue than it was owed.

The audit also found that the Commission is not in compliance with state statute and rules requiring the Commission to receive and maintain monthly reconciliations provided by the New Mexico Horseman’s Association and Horse Breeder’s Association. This requirement helps ensure that gaming revenues are properly allocated. As a result of the audit, the Commission has indicated willingness to examine these reports moving forward.

“During these tough times, it is especially critical for tax revenue that is due to the state to be collected. Everyone involved should get a fair shake, including breeders, owners and jockeys,” said State Auditor Tim Keller.

The full audit and cover letter are available here:  
[http://osanm.org/media/audits/469\\_State\\_Racing\\_Commission\\_FY2015.pdf](http://osanm.org/media/audits/469_State_Racing_Commission_FY2015.pdf)

*The Office of the State Auditor helps government work better by providing transparency and accountability for government spending; informing policy choices; and tackling fraud, waste and abuse. OSA is an independently elected executive agency responsible for examining the use of public dollars in New Mexico.*

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