NMDOT

NMDOT Tax Revenue Sources and Distribution

A Brief Overview

Revenue Stabilization and Tax Policy Committee (RSTP)
September 14, 2026

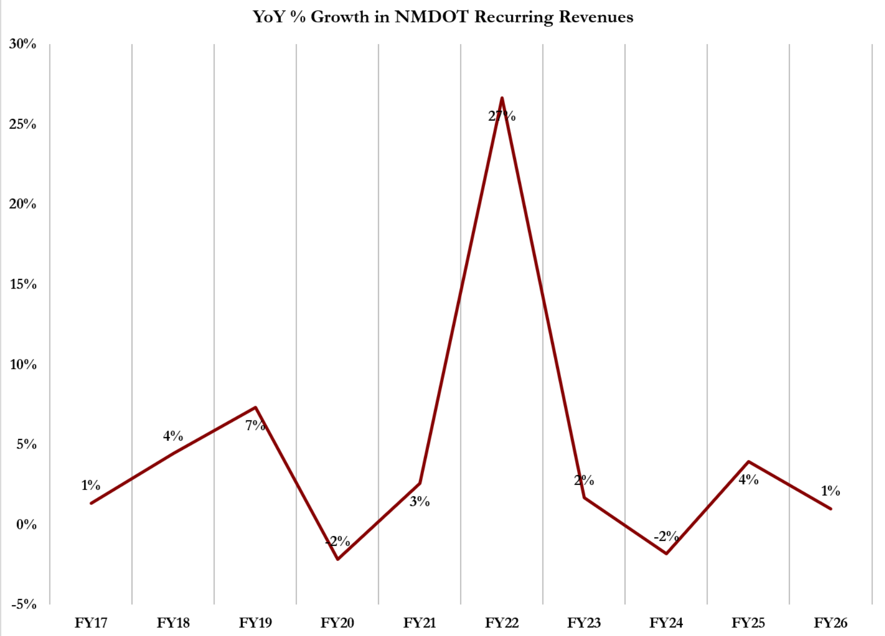
NMDOT Recurring Revenues

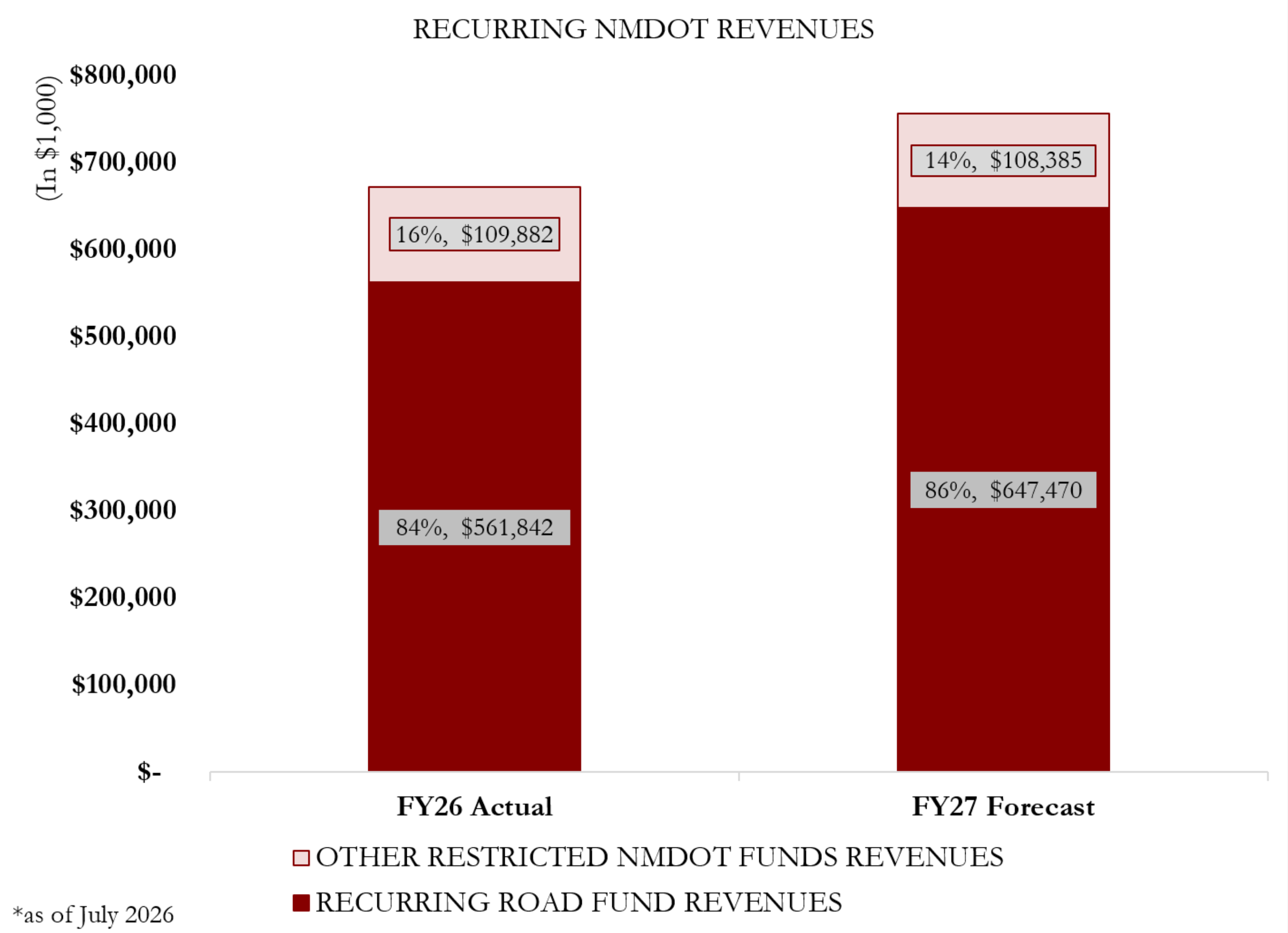
Majority of NMDOT recurring revenues allocated to the State Road Fund.

Balance is received by other restricted funds managed by NMDOT.

Since FY12, NMDOT's recurring revenues have grown at an average rate of 2% annually.

Total FY26 recurring revenues = $543,924K
July 26 FY27 Forecast = $624,030K





NMDOT

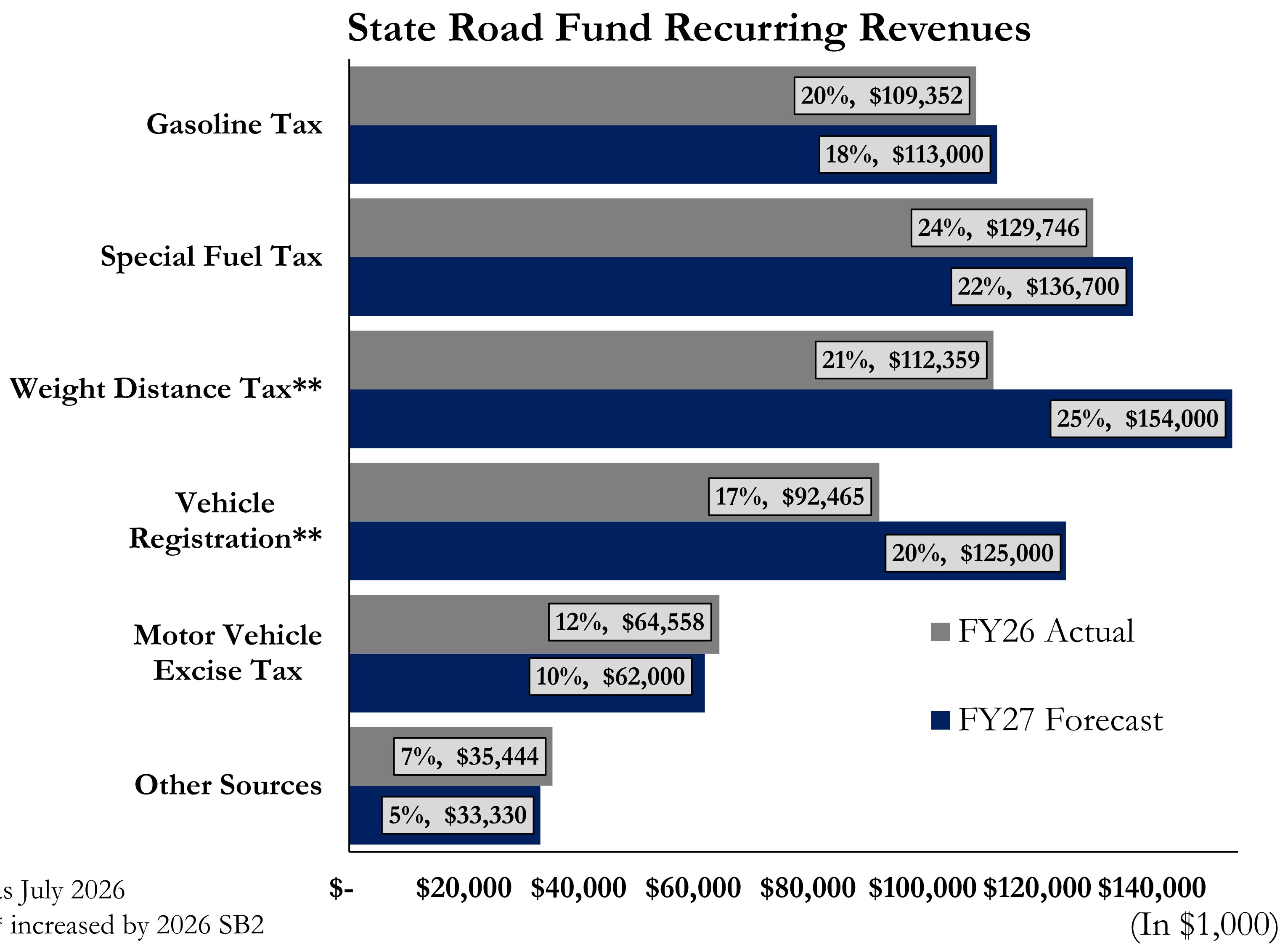
NMSA 1978
Section 67-3-65.
State road fund created.

"The **"state road fund"** is created within the state treasury, to which shall be credited all receipts authorized by law to be paid into it. No income earned on the fund shall be transferred to another fund."

NMSA 1978
Section 67-3-65.1.
State road fund distribution.

"The amounts distributed to the state road fund pursuant to **Sections 7-1-6.10, 66-6-23 and 66-6-23.1 NMSA 1978** shall be ***used for maintenance, construction and improvement of state transportation projects and to meet federal allotments under the federal-aid road laws***, but sufficient money from the state road fund shall be set aside each year by the state treasurer to pay the principal and interest due each year on state transportation revenue bonds issued to anticipate the collection of this revenue."

STATE ROAD FUND (SRF)



*as July 2026
** increased by 2026 SB2

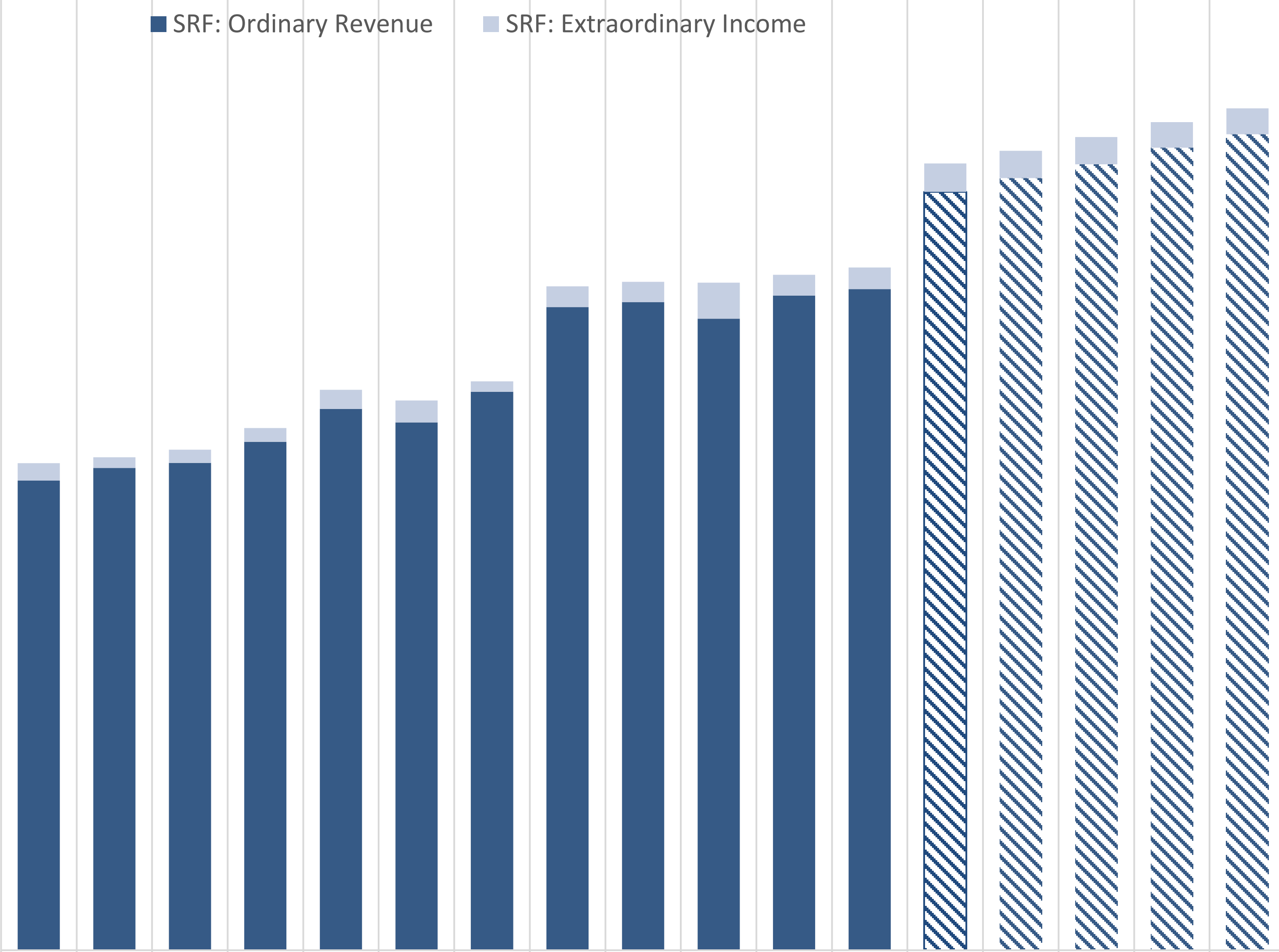
NMDOT

July 2026 Road Fund Forecast

	(Dollars in thousands)	FY25	FY26		FY27		FY28	FY27 to FY28		FY29	FY30	FY31
			Jan-25 Leg. Bud Estimate	Jul-26 Revenue Update	Jan-26 Leg. Bud Estimate	Jul-26 Revenue Update	Jul-26 Bud. Req Estimate	Budget Growth $ Change	% Diff	Jul-26 Long Run Estimate	Jul-26 Long Run Estimate	Jul-26 Long Run Estimate
	Road Fund:	Actual										
	Road Fund -- Ordinary Revenue:											
1	Weight/Distance**	106,007	107,100	111,300	145,800	154,000	156,800	11,000	7.5%	159,000	161,700	164,700
2	Special Fuel Tax	135,366	135,200	132,700	135,500	136,700	141,000	5,500	4.1%	143,900	148,000	151,600
3	Vehicle Registration***	88,697	92,100	92,400	125,200	125,000	125,500	300	0.2%	128,300	131,000	133,600
4	Gasoline Tax	112,666	112,900	109,900	114,000	113,000	113,500	(500)	-0.4%	114,250	115,000	113,100
5	Trip Tax	6,774	6,790	7,070	6,800	7,040	7,170	370	5.4%	7,320	7,390	7,480
6	Driver's License	5,479	4,890	5,700	4,900	5,030	4,900	-	0.0%	4,900	4,960	4,930
7	Oversize/Overweight	9,937	9,300	10,300	9,300	9,600	10,500	1,200	12.9%	10,600	10,610	10,890
8	Unified Carrier Registration (UCR)	2,695	3,300	3,300	3,300	3,300	3,300	-	0.0%	3,300	3,300	3,300
9	MVD Miscellaneous	6,216	4,980	6,200	5,900	6,300	6,400	500	8.5%	6,500	6,640	6,750
10	Vehicle Transaction	1,139	1,150	1,200	1,110	1,110	1,110	-	0.0%	1,110	1,110	1,110
11	Motor Vehicle Excise Tax*	63,786	61,200	63,600	63,000	62,000	62,600	(400)	-0.6%	64,200	66,480	69,130
12	Electric Vehicle Surcharge****	0	-	-	700	950	2,700	2,000	285.7%	3,370	4,230	4,850
13	**Subtotal Ordinary Income**	**538,762**	**538,910**	**543,670**	**615,510**	**624,030**	**635,480**	**19,970**	**3.2%**	**646,750**	**660,420**	**671,440**
	Road Fund -- Extraordinary Income:											
14	All Other (Reimbursements, Asset Sales, etc.)	0	6,600	6,600	7,200	7,200	6,360	(840)	-11.7%	6,830	5,400	6,500
15	Rail Runner Track Maintenance Fees	6,789	4,700	4,700	4,800	4,800	4,700	(100)	-2.1%	4,800	5,160	4,800
16	Road Fund Interest	10,210	11,990	12,600	9,600	11,400	11,190	1,590	16.6%	10,820	10,390	9,900
17	EV Charging	52	40	40	40	40	40	(1)	-1.3%	40	40	40
18	**Subtotal Extraordinary Income**	**17,051**	**23,330**	**23,940**	**21,640**	**23,440**	**22,290**	**650**	**3.0%**	**22,490**	**20,990**	**21,240**
19	**TOTAL (Recurring) ROAD FUND**	**555,813**	**562,240**	**567,610**	**637,150**	**647,470**	**657,770**	**20,620**	**3.2%**	**669,240**	**681,410**	**692,680**
20	WIPP Settlement **(Nonrecurring)**	-	-	-	-	-	-	-	-			
21	Motor Vehicle Excise Tax to D2 (1% point) in FY20	-	-	-	-	-	-	-	-	-	-	-
22	**TOTAL ROAD FUND**	**555,813**	**562,240**	**567,610**	**637,150**	**647,470**	**657,770**	**20,620**	**3.2%**	**669,240**	**681,410**	**692,680**

*0.12% points until FY21; 0.87% points in FY22 and thereafter. **Tax increased by 35% starting FY27. ***Fee increased by 25% starting FY27. ****Fee introduced CY27, then increased in stages until CY29

TOTAL STATE ROAD FUND REVENUE (IN $ MILLIONS)



	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31
SRF: Extraordinary Income	15	9	11	11	16	18	9	17	17	30	17	18	23	22	22	21	21
SRF: Ordinary Revenue	386	397	401	418	445	434	459	529	533	520	539	544	624	635	647	660	671

Historically, gasoline tax largest source of Road Fund Revenues

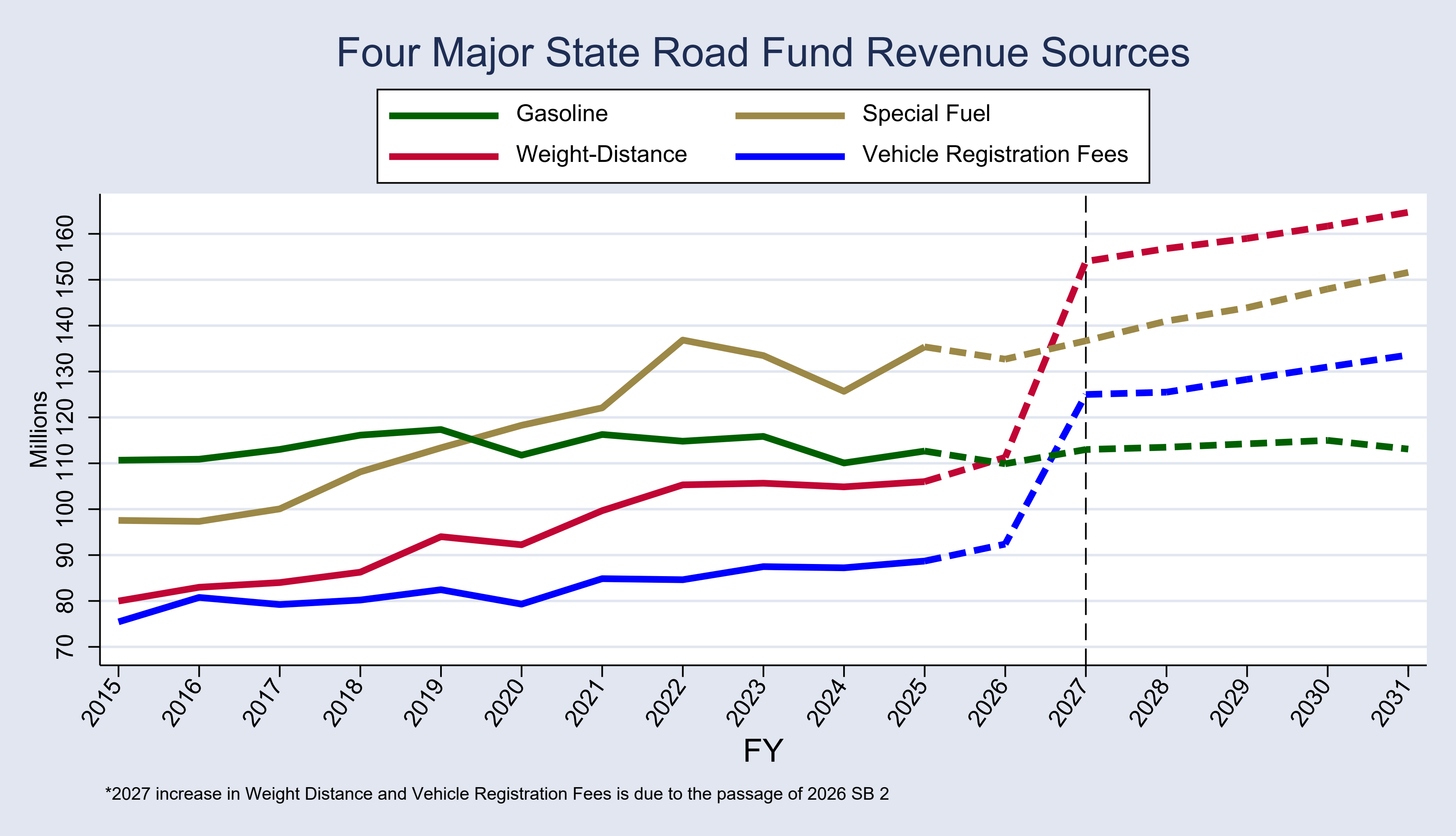
FY 2027 onwards, weight distance revenue will take the #1 spot.

Since FY 2006, average annual rate of revenue growth in Road Fund:

- Gasoline tax – -0.02%
- Special fuels tax – 1.7%
- Weight distance tax – 2.3%
- Vehicle registration – 1.5%

Gasoline tax revenue – remained relatively flat; increased travel has been offset by improved fuel-efficiency.

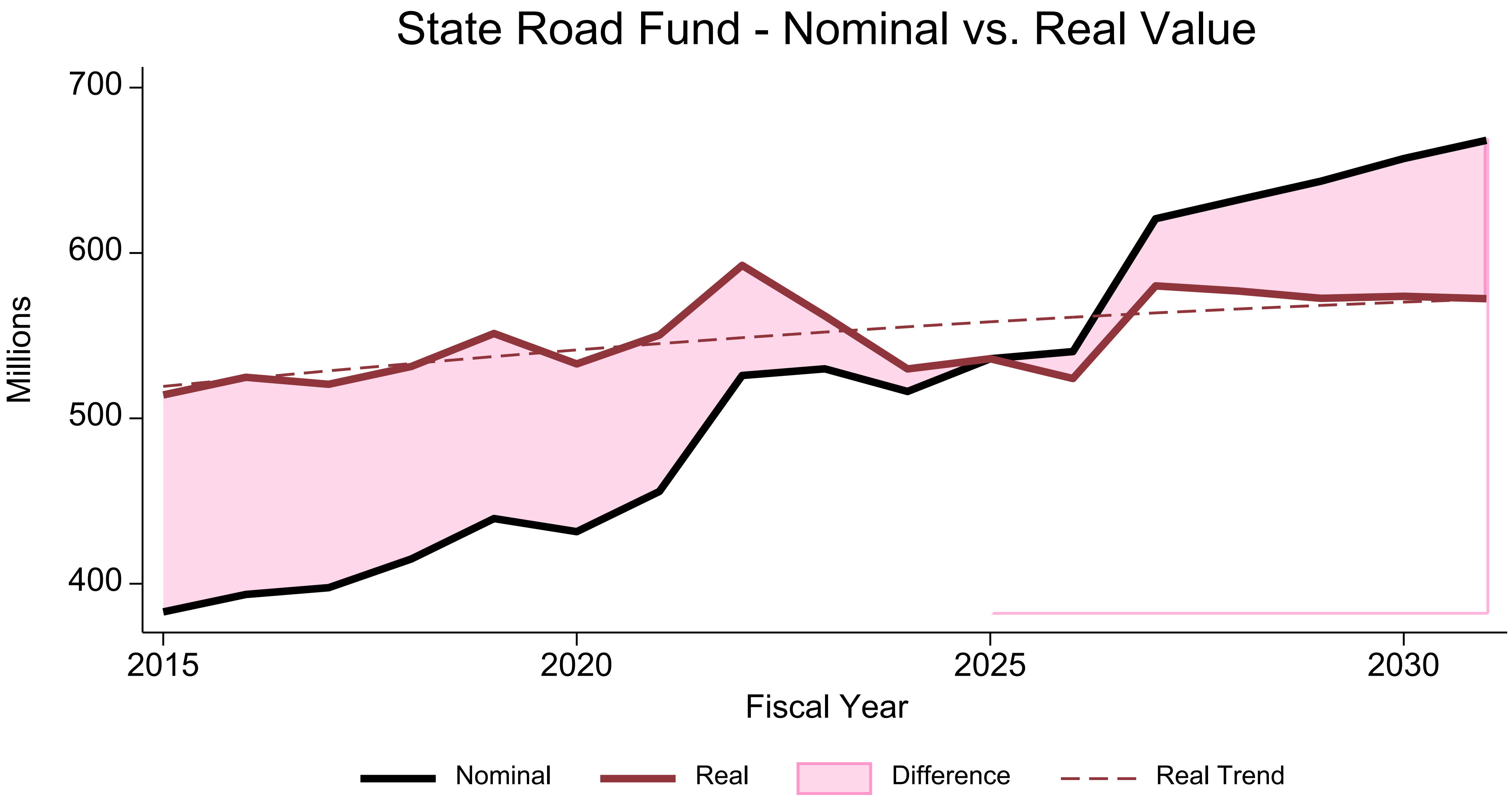
Commercial vehicle revenues (Special Fuels & Weight Distance Tax) have grown 39% over the last 20 years. In FY26, these revenues were 44% of Road Fund Revenues



NMDOT

In January 2026, Real State Road Fund Revenue was expected to shrink starting in FY27

Thanks to Tax and Fee increases in 2026 SB2, the Real State Road Fund is expected to grow throughout the forecast period.



Note: Real State Road Fund converted into 2025 dollars
Source: NMDOT calculations, BLS, and S&P Global

NMDOT

NMDOT

Distribution of State Road User Revenues

Revenue Source	Distribution	2024	2025	2026	2027	% of total (FY 2025) Road Fund
		July 2026 Forecast ($ Millions)				
Gasoline Tax (17.0 cents / gallon)	5.76% to County Government Road Fund	8.7	8.9	8.6	8.9	
	0.13% to Motorboat Fuel Tax Fund	0.2	0.2	0.2	0.2	
	0.26% to State Aviation Fund	0.4	0.4	0.4	0.4	
	10.38% to Municipalities and Counties	15.7	16.0	15.6	16.0	
	76.27% to State Road Fund - (~13 cents per gallon)	110.6	112.7	109.9	113.0	20.3%
	5.76% to Municipalities	8.7	8.9	8.6	8.9	
	1.44% to Municipal Arterial Program (MAP - Local Governments Road Fund)	2.2	2.2	2.2	2.2	
Special Fuel (Diesel) Tax (21.0 cents/gallon -- effective 7/1/2004)	**90.48% to State Road Fund - (19 cents per gallon)**	125.7	135.4	132.7	136.7	24.4%
	9.52% to Local Governments Road Fund	12.9	14.1	14.0	14.4	
Petroleum Products Loading Fee (1.875 cents/gallon)	26.67% to Local Governments Road Fund	7.5	7.9	7.9	8.1	
	73.33% to Corrective Action Fund (NM Environment Department)	20.7	21.6	21.7	22.3	
Weight Distance Tax (1¢-4¢/mile)	**100% to State Road Fund**	104.9	106.0	111.3	154.0	19.1%
Trip Tax (7¢-16¢/mile)	**100% to State Road Fund**	7.8	6.8	7.1	7.0	1.2%
Oversize / Overweight Fees	**100% to State Road Fund**	8.1	9.9	10.3	9.6	1.8%
Motor Trans. Regulatory Fees	**100% to State Road Fund**	3.4	2.7	3.3	3.3	0.5%
Vehicle Registration Fees ($21-$172/year) A similar distribution applies to many **Miscellaneous Motor Vehicle Fees** (but only Vehicle Registration Fee revenue amounts are shown in revenue table)	50 cents on Each Registration to Beautification Fund					
	$7.00 of each Motorcycle Registration to Motorcycle Training Fund					
	$2.00 of each Motorcycle Registration to the Taxation & Revenue Department					
	100% of Placard Fees to Taxation and Revenue Department					
	100% of Traffic Safety Training Fee (from Penalty Assessments) and Amateur Radio Fees to State Road Fund					
	Tire Recycling Fee (effective 7/1/2003):					
	$ 1.00 Each Motorcycle → 50% to Highway Infrastructure Fund					
	$ 0.50 per wheel of each bu → 50% to Tire Recycling Fund					
	$ 1.50 each car or light truc → $1.00 to Highway Infrastructure Fund					
	$ 1.50 each heavy truck → $0.50 to Tire Recycling Fund					
	Effective March 1, 2004 remaining revenues go to:					
	74.65% to State Road Fund	87.2	88.7	92.4	125.0	16.0%
	7.60% to County General Funds (allocated by registration fees on vehicles in each county)	8.9	9.0	9.4	12.7	
	7.60% to County Road Funds (allocated by miles of public roads maintained)	8.9	9.0	9.4	12.7	
	4.06% to Municipal Street Funds (allocated by property tax net taxable value)	4.7	4.8	5.0	6.8	
	6.09% to County and Municipal General Funds (allocated by property tax amounts due)	7.1	7.2	7.5	10.2	
Motor Vehicle Excise Tax (from 3.0% to 4.0% on July 1, 2019)	**21.86% to State Road Fund beginning in FY22 (it was 3.11 % in FY19 - FY21)**	61.3	63.8	63.6	62.0	11.5%
	District 2 received 25% in FY20 & FY21	sunset	sunset	sunset	sunset	
	18.75% to Transportation Project Fund beginning in FY22	52.5	54.7	54.6	53.2	
	59.39% to State General Fund beginning in FY22 (it was 71.89% in FY20 & FY21)	166.4	173.3	172.8	168.4	
Transaction Fees ($3 per Title or Registration)	$5 or $6 to Municipal, County or Fee AGENTS					
	Remaining revenues from Transaction Fees go to:					
	50% to State Road Fund	1.1	1.1	1.2	1.1	0.2%
	50% to County Road Fund (allocated by miles of public roads maintained)	1.1	1.1	1.2	1.1	
Driver License Fees ($10 per 4 year period + $3 EDL + $3 Driver Safety)	$6 or $7 per License to Municipal, County or Fee Agents					
	100% of Remaining Drivers License Fee to State Road Fund	4.4	5.5	5.7	5.0	1.0%
	100% Limited License Fees to DWI Prevention and Education Fund	0.4	0.5	0.5	0.5	
	100% DWI Reinstatement Fees and remainder of ID Cards to Local Gov. Road Fund	0.8	0.8	0.8	0.8	
	100% Enhanced Drivers License Fee ($3) to Taxation & Revenue Department	2.1	2.4	*	*	
	100% Driver Safety Fee ($3) to public schools for DWI education	1.6	2.0	*	*	
Electric Vehicle Surcharge	**100% to State Road Fund**	0.0	0.0	0.0	1.0	0.0%
	Total Local Governments Road Fund and Transportation Project Fund	82.9	85.9	85.3	84.4	
	Total Amount Distributed to Local Governments & other Recipients	255.3	264.9	260.6	268.7	
	Total of Gasoline, Diesel, W/D & Registrations NMDOT	428.4	442.7	446.3	528.7	79.7%
	Total State Road Fund Revenues	532.4	555.8	567.6	647.5	100.0%
	Total NMDOT *Recurring* (1) State Revenues	639.9	665.6	676.6	755.9	NA
Leased Vehicle Surcharge ($2/day)	100% to State General Fund					
Leased Vehicle Gross Receipts Tax (5.0%)	75% to Highway Infrastructure Fund					
	25% to Local Governments Road Fund					
Alternative Fuel Tax	100% to State Road Fund					

* no estimates available

(1) Total NMDOT Recurring Revenue excludes MV Excise Revenue to DOT District 2 in FY21 (60.2)

Gasoline Tax

Effective FY 1996 – **17 cents per gallon** of gasoline received in NM.

76.27% (~13 cents per gallon) to State Road Fund

NMSA 1978, Section 7-1-6.10

10.38% to Municipalities and Counties – NMSA 1978, Section 7-1-6.9

- Distributed in the proportion of taxable motor fuel sales in each municipality or county
- 90% to municipalities and H class counties
- 10% to counties (including H class counties)

5.76% to County Government Road Funds – NMSA 1978, Section 7-1-6.19

5.76% to Municipalities – NMSA 1978, Section 7-1-6.27

1.44% to Municipal Arterial Program – NMSA 1978, Section 7-1-6.28

0.26% to State Aviation Fund – NMSA 1978, Section 7-1-6.7.B

0.13% to Motorboat Fuel Tax Fund – NMSA 1978, Section 7-1-6.8

Gasoline tax accounts for 18% of SRF Revenues in FY26.
Gasoline tax distribution to the SRF accounts for 16% of total NMDOT Revenues.

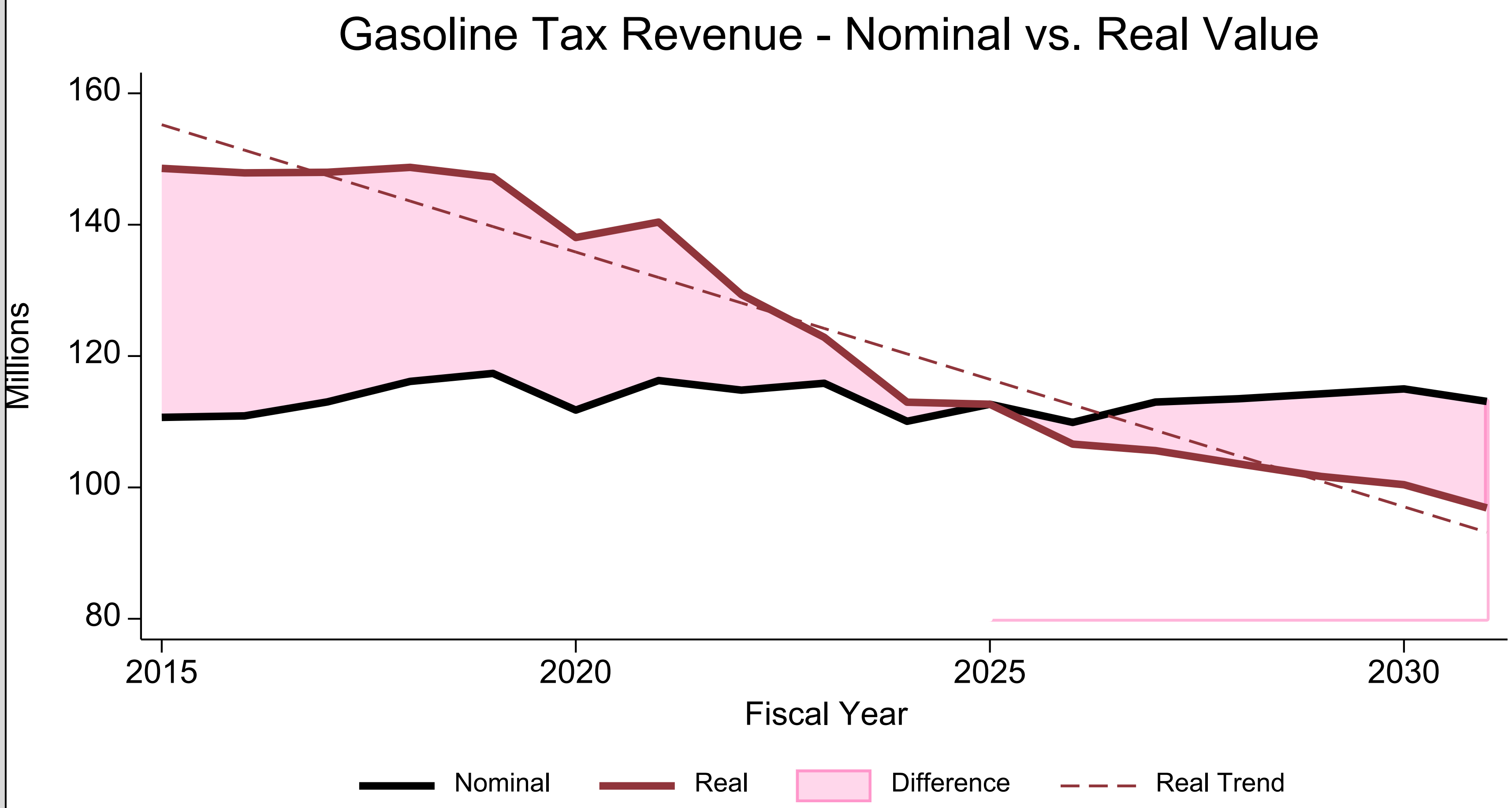
NMDOT

From FY 1997 to FY 2025,

- Nominal Gasoline Tax revenue has shrunk 3%
    - Average Annual Growth Rate (AAGR) – -0.2%
- Real Gasoline Tax revenue has shrunk 52%
    - AAGR – -2.6%

From FY 2025 to FY2026,

- Nominal Gasoline Tax is expected to grow 0.39%
    - AAGR – 0.4%
- Real Gasoline Tax is expected to shrink another 13%
    - AAGR – -2.0%



Note: Real gasoline tax revenue converted into 2025 dollars
Source: NMDOT calculations, BLS, and S&P Global

NMDOT

Special Fuels Excise Tax

Effective FY 2004 – 21 cents per gallon of special fuel received in NM.

90.48% (~19 cents per gallon) to State Road Fund – NMSA 1978, Section 7-1-6.10

9.52% to Local Government Road Fund – NMSA 1978, Section 7-1-6.39

Special fuels tax accounts for 24% of SRF Revenues in FY26.
Special fuels tax distribution to the SRF accounts for 19% of total NMDOT Revenues.

- Additional Petroleum Product Loading Fee applies to fuel subject to gasoline or special fuel excise tax
- NMSA 1978, Section 7-13A-3: $150 per load of 8,000 gallons or 1.875 cents per gallon.
- Distribution:
  - 26.67% to Local Government Road Fund
  - 73.33% to Corrective Action Fund

NMDOT

Weight Distance Tax

- Increased by 35% starting in FY27, now the largest revenue source
- Levied on vehicles with a declared gross vehicle weight over 26,000 pounds
- Based on the weight of the vehicle and the number of miles traveled on NM roads
- Tax ranges from (NMSA 1978, Section 7-15A-6)
  - Approx. 1.5 cent per mile for a 26,001 lbs. truck to
  - Approx. 5.9 cents per mile for trucks over 78,000 lbs.
- 100% of the revenues generated are deposited to the SRF

Weight distance tax accounts for 21% of SRF Revenues in FY26.
Expected to be 25% in FY27
Weight distance tax accounts for 17% of total NMDOT Revenues.
Expected to be 20% in FY27

NMDOT

Vehicle Registration

Vehicle Type	NMSA 1978	Registration Fees	Tire Recycling Fees	Tire Recycling Fees Distribution
Motorcycles	Section 66-6-1	$15/year	$ 1.00 for each motorcycle	50% to Highway Infrastructure Fund
Passenger Vehicles	Section 66-6-2	$26 to $70*	$ 1.50 for each car or light truck	$1.00 to Highway Infrastructure Fund
Trucks and Tractors	Section 66-6-4	$32 to $172	$ 1.50 for each heavy truck	$0.50 to Tire Recycling Fund
Buses	Section 66-6-5	$32 to $172	$ 0.50 per wheel of each bus	50% to Tire Recycling Fund

Vehicle Registration Fees Distribution:

- 50 cents on each registration to the Litter Control and Beautification Fund; NMSA 1978, Section 66-6-6.2
- $2.00 of each motorcycle registration to Motorcycle Training Fund
- $2.00 of each motorcycle registration to the Taxation & Revenue Department
- 100% of Placard Fees to Taxation and Revenue Department
- 100% of Traffic Safety Training Fee (from Penalty Assessments) and Amateur Radio Fees to SRF

The remaining revenues are distributed as follows (NMSA 1978, Section 66-6-23.1):

- 74.65% to State Road Fund
- 7.60% to County General Funds (allocated by registration fees on vehicles in each county)
- 7.60% to County Road Funds (allocated by miles of public roads maintained)
- 4.06% to Municipal Street Funds (allocated by property tax net taxable value)
- 6.09% to County and Municipal General Funds (allocated by property tax amounts due)

*Increased FY27

Motor Vehicle Excise Tax

Prior to FY 2019	• **Tax rate: 3%** NMSA 1978, Section 7-14-4 • Distribution: 100% to General Fund **NMSA 1978, Section 7-14-10**
FY 2019	• Tax rate: 3% • **2018 SB 226** changes distribution: ➢ 95.85% to General Fund ➢ **4.15% to State Road Fund**
FY 2020 to FY 2021	• **2019 HB 6 raised tax rate from 3% to 4%** • 2019 HB 6 changed distribution: ➢ 71.89% to General Fund ➢ **3.11% to State Road Fund** ➢ 25% to NMDOT for District 2
FY 2022 onwards	• 2019 HB 6 changed distribution: ➢ 59.39% to General Fund ➢ **21.86% to State Road Fund** ➢ 18.75% to Local Government Road Fund (LGRF) • **2020 SB 20** changed the 18.75% distribution from LGRF to the **Transportation Project Fund**

Motor vehicle excise tax accounts for 12% of SRF Revenues in FY26.
Motor Vehicle excise tax distribution to the SRF accounts for 10% of total NMDOT Revenues.

NMDOT

NMDOT

Other NMDOT Funds

- **Highway Infrastructure Fund;** NMSA 1978, Section 67-3-59.2
- **State Aviation Fund;** NMSA 1978, Section 64-1-15
- **Local Government Road Fund;** NMSA 1978, Section 67-3-28.2
- **Transportation Project Fund;** NMSA 1978, Section 67-3-78

Highway Infrastructure Fund

The Highway Infrastructure Fund revenues accounted for about 1.5% of total NMDOT revenues in FY 2026, at $10.3 million.

Main contributor: Leased vehicle GRT

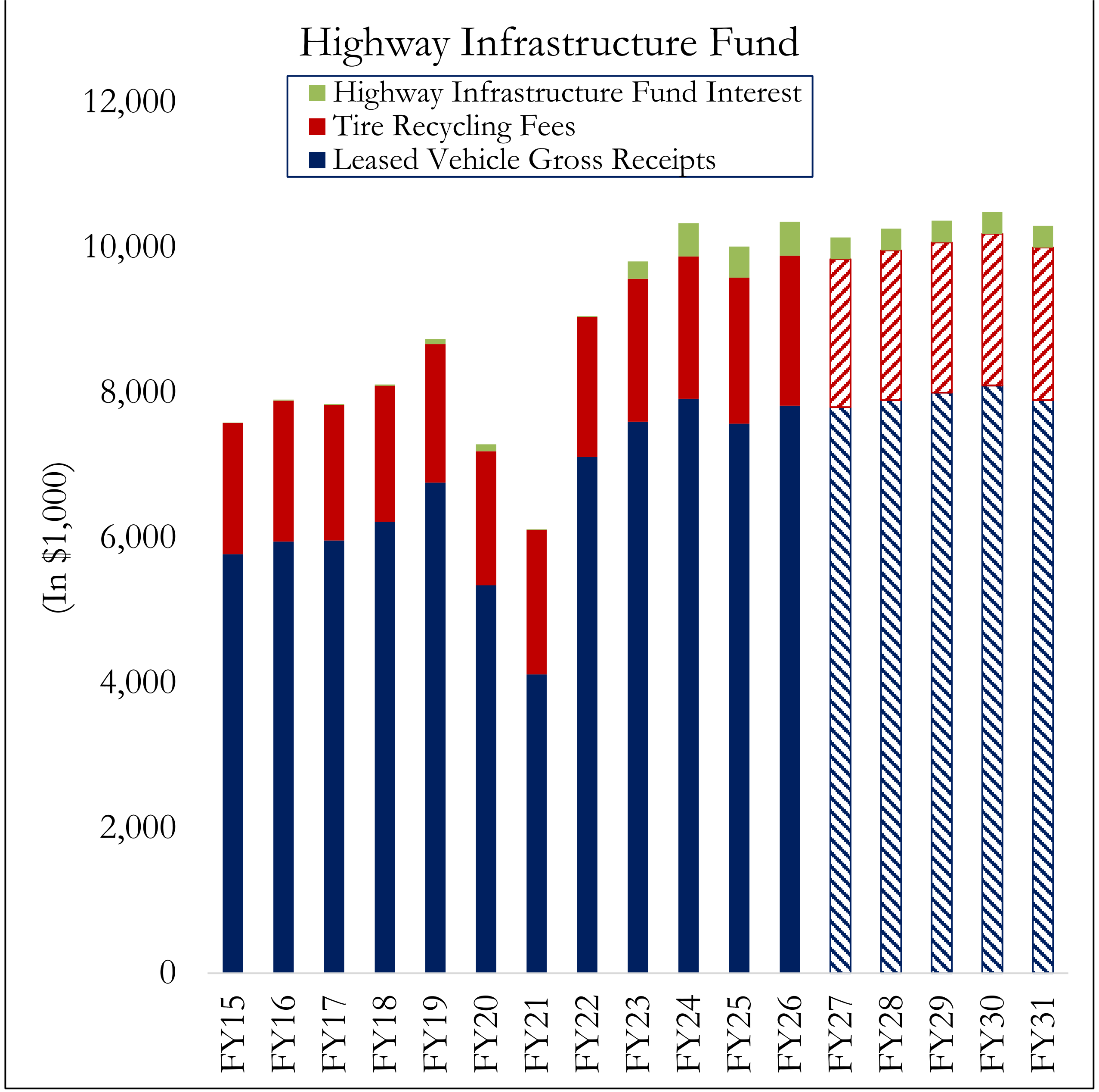
Leased vehicle GRT rate – 5%

- **75% of the revenues to Highway Infrastructure Fund**
- **25% of the revenues to Local Government Road Fund**

Tire Recycling Fee:

- **50% of the fee on motorcycles, and**
- **66.67% of the fee on passenger vehicles**

Heavily impacted by the COVID-19 pandemic but has recovered and expected to remain relatively stable



FY27 onwards are from NMDOT's July 2026 forecast

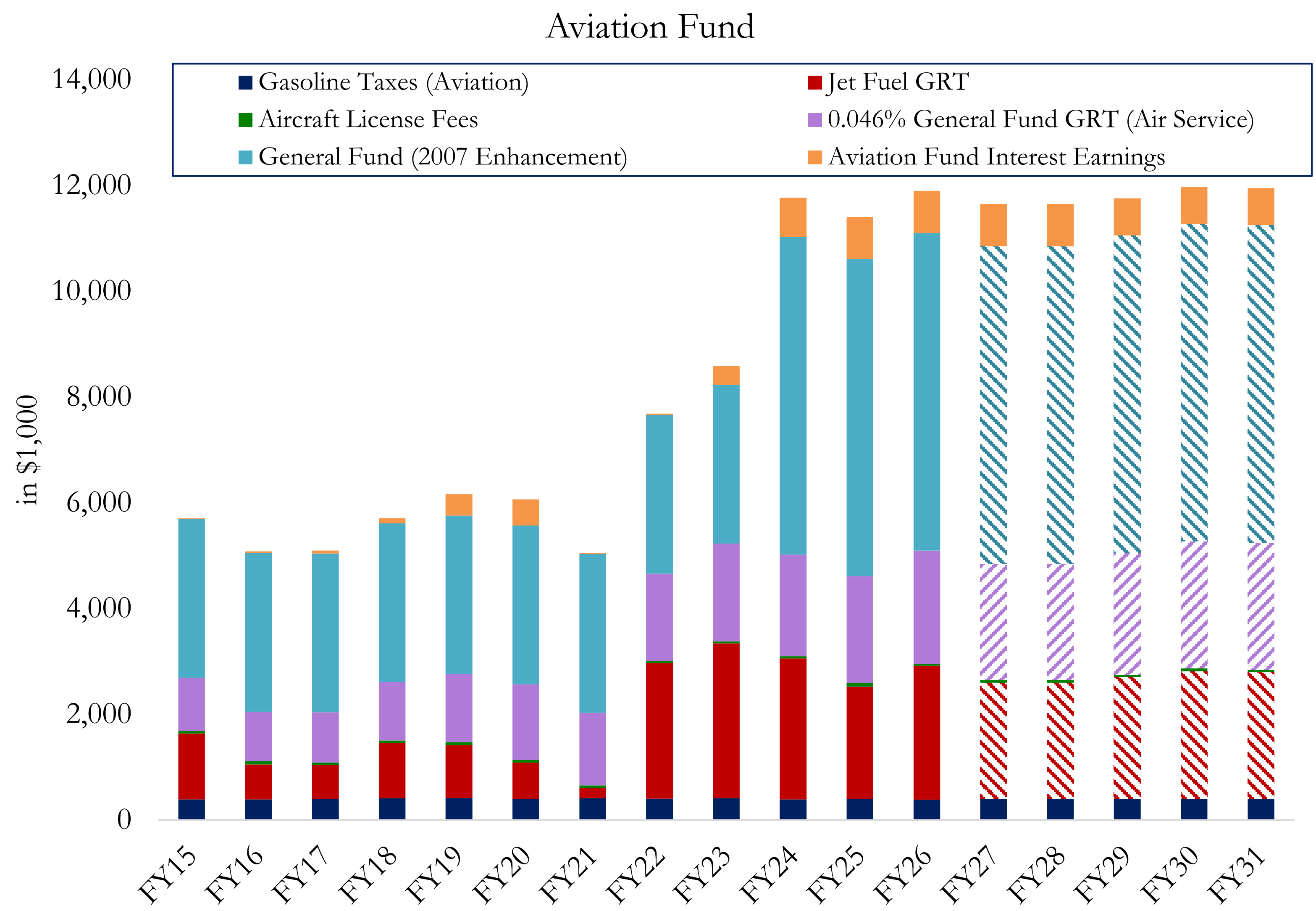
NMDOT

State Aviation Fund

- **The Aviation Fund revenues account for about 1.8% of total NMDOT revenues in FY 2021, at $11.9 million.**

- **Main contributors** (NMSA 1978, Section 7-1-6.7)**:**
  - **$500,000 per month from GRT distributable to the general fund (raised from $250,000 in FY24)**
  - **4.79% of GRT on sale of Jet Fuel**
  - **Additional 0.046% of GRT distributable to the General Fund**
  - **0.26% of Gasoline Tax**

- **Federal Aviation Administration's Revenue Use Policy**



FY27 onwards are from NMDOT's July 2026 forecast

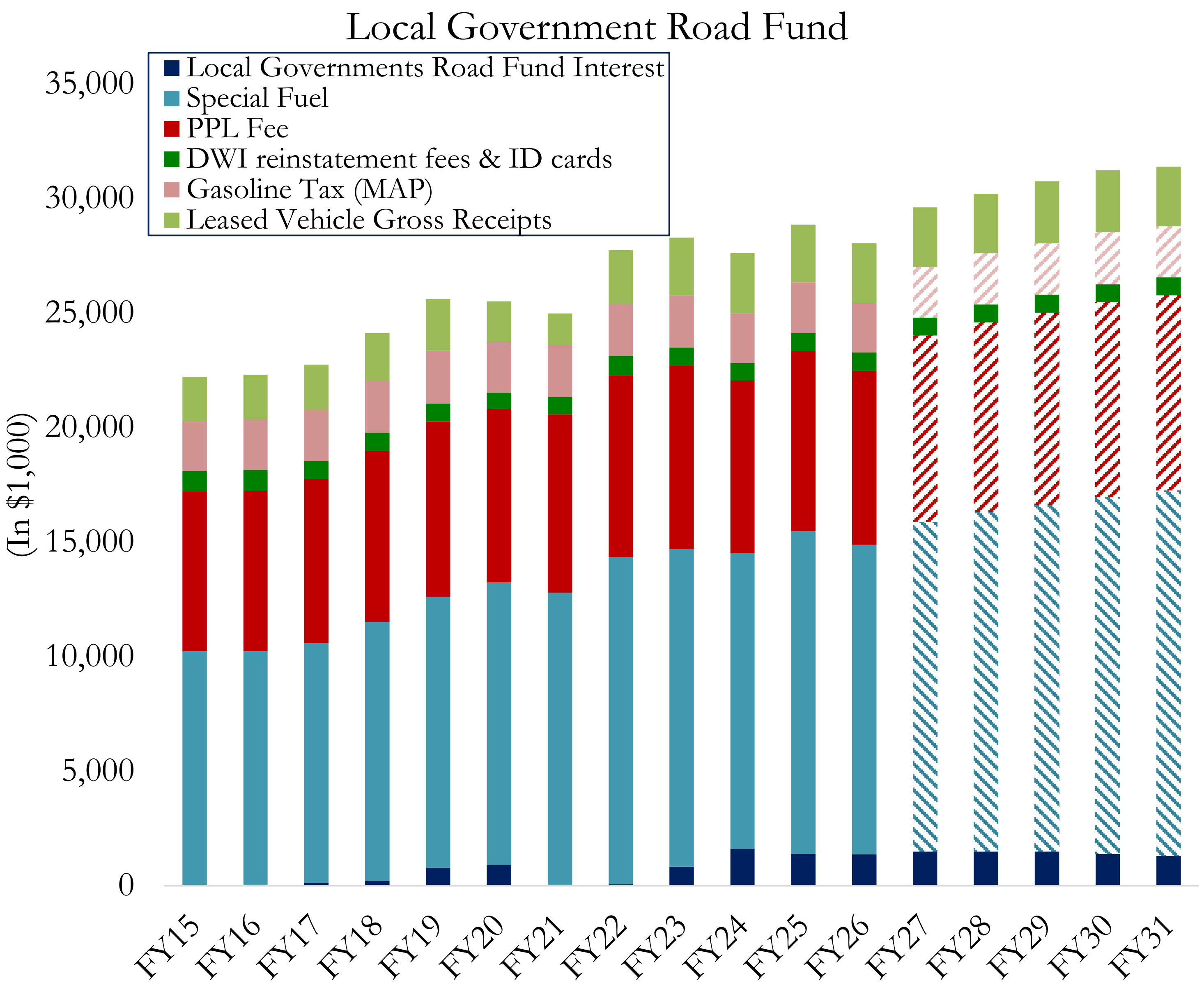
NMDOT

Local Government Road Fund

The Local Government Road Fund revenues account for about 4.2% of total NMDOT revenues in FY 2021, at $28 million.

Main contributors:

- **Special Fuels Tax – 48%**
- **Petroleum Product Loading Fee – 27%**
- **Gasoline Tax (MAP) – 8%**
- **Leased Vehicle GRT – 9%**
- **Interest – 5%**



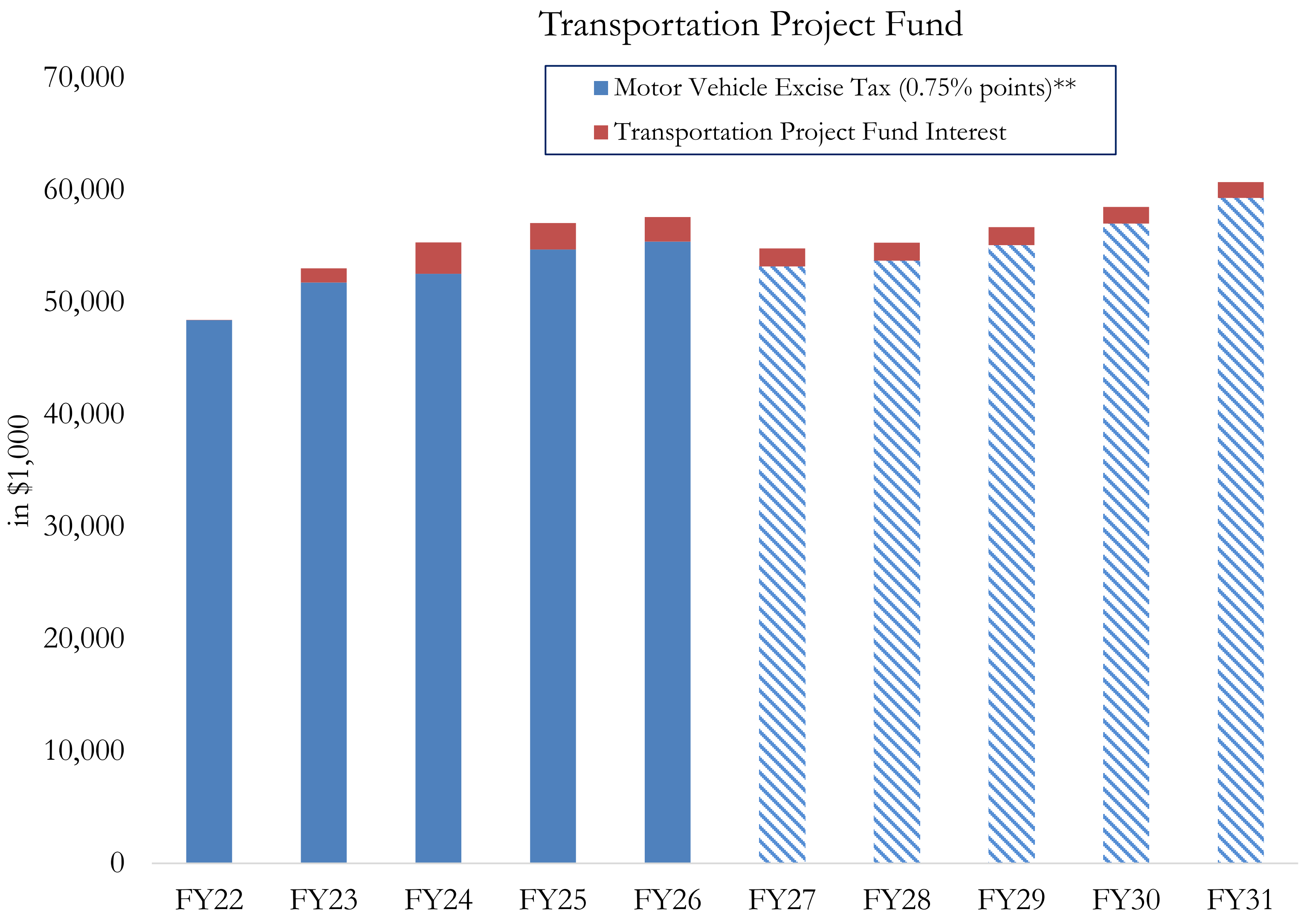
FY27 onwards are from NMDOT's July 2026 forecast

NMDOT

Transportation Project Fund

The Transportation Project Fund revenues account for about 8.6% of total NMDOT revenues in FY 2021, at $57.6 million.

- **The main contributor is the Motor Vehicle Excise Tax comprising 96% of revenues**
- **A slight decrease is expected in FY 2027 followed by a gradual return to trend. Driven by persistent inflation and higher unemployment.**



FY27 onwards are from NMDOT's July 2026 forecast

NMDOT

LGRF vs TPF

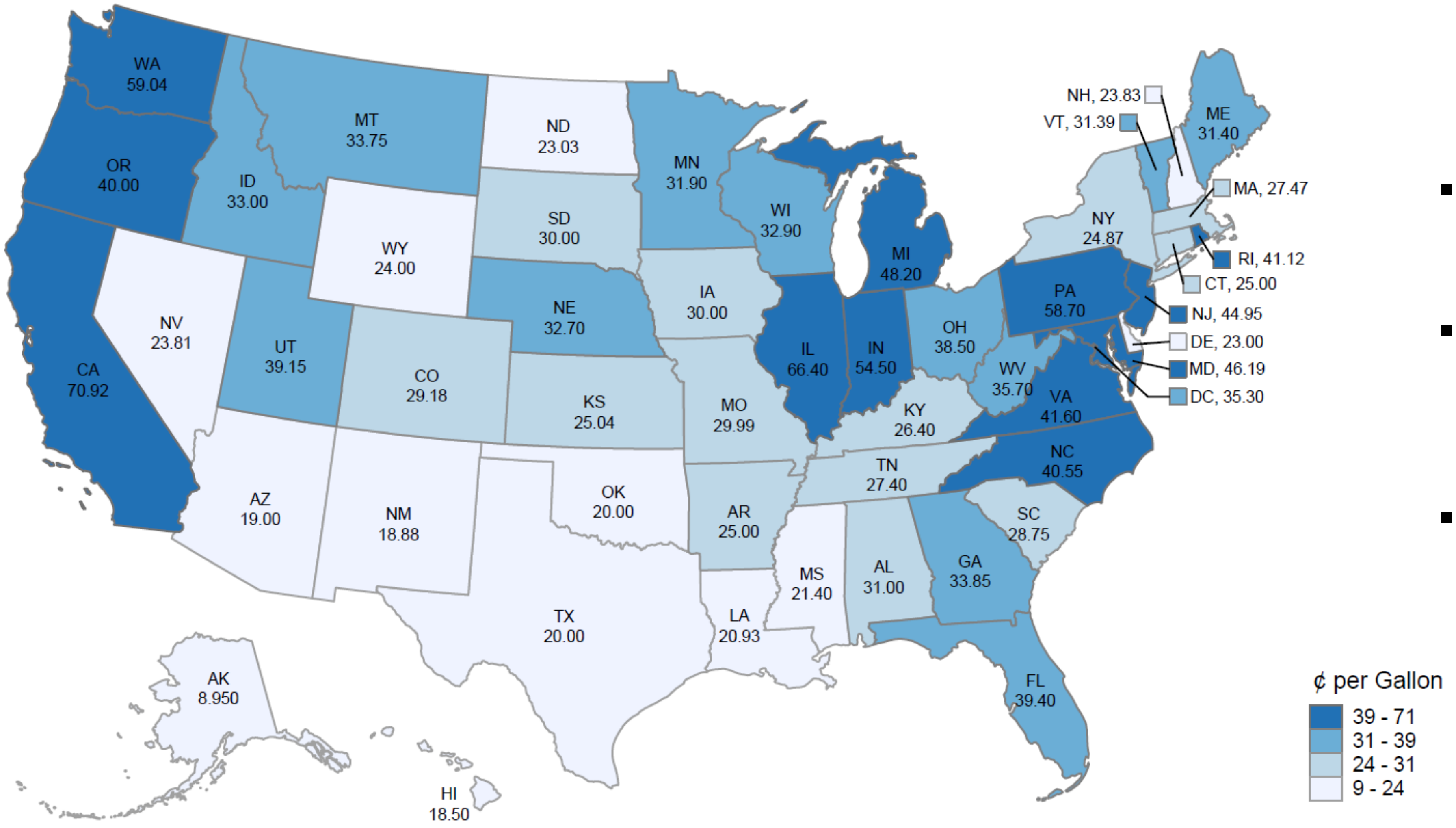
Local Government Road Fund (LGRF)	Transportation Project Fund (TPF)
Recurring Budget: $28-31 million	Recurring Budget: $57-60 million
75% NMDOT & 25% Local Match	95% NMDOT & 5% Local Match
Disbursement Program	Disbursement Program
Restricted to funding programs.	Less Restrictive on project selection.
Hardship Waiver	Hardship Waiver
Equipment Waiver	Equipment Waiver Does Not Apply
Call For Projects- Proposals Due March 15th	Call for Projects- Proposals Due May 31st
Projects Must Be Approved by Transportation Commission.	Projects Must Be Approved by Transportation Commission.

NMDOT

State by State Comparison

NMDOT

Gasoline Motor Fuel Taxes per Gallon as of January 1, 2026

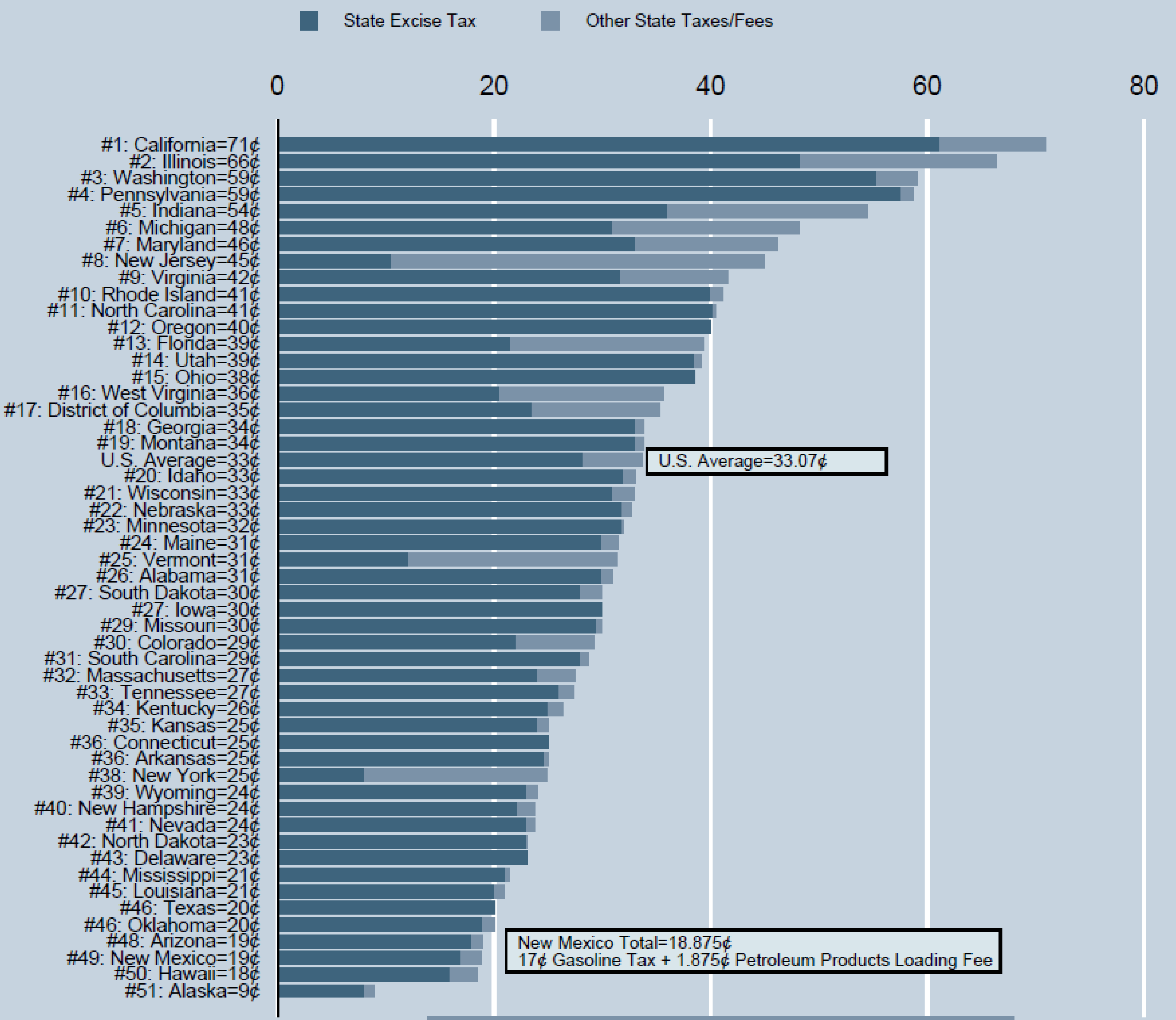


Note: NMDOT's elaboration on Energy Information Administration data
New Mexico Total = 18.875¢ = (17¢ Gasoline Tax + 1.875¢ Petroleum Products Loading Fee)
The Federal Excise Tax on Gasoline is 18.4¢ per gallon

- New Mexico is the 3rd lowest in the nation.
- New Mexico is lowest among neighboring states (AZ, UT, CO, OK, TX).
- Every $0.01 increase in gasoline tax would result in $6.8 million new revenue annually.

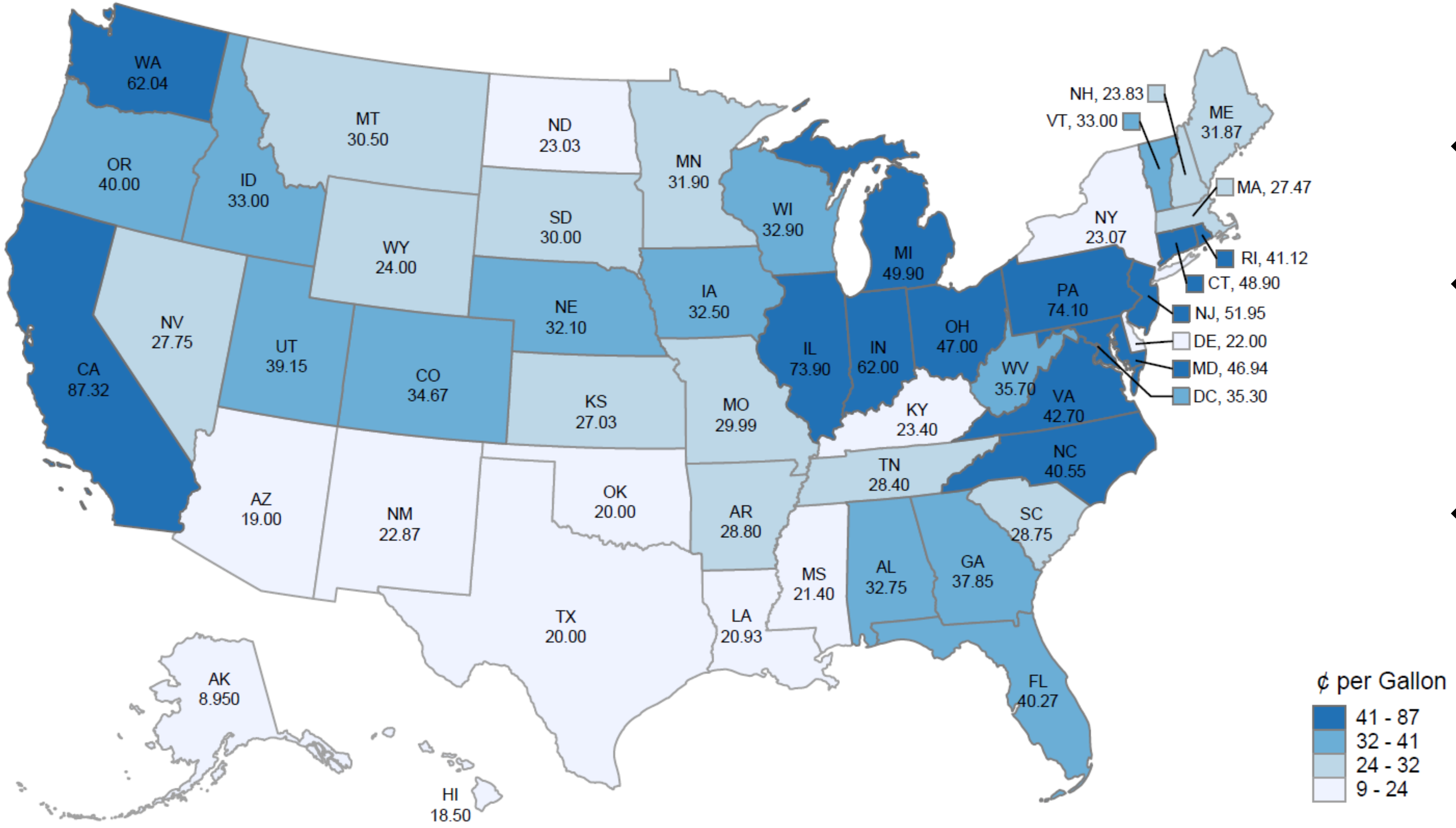
NMDOT

Gasoline Motor Fuel Taxes per Gallon as of January 1, 2026



Note: NMDOT's elaboration on Energy Information Administration data

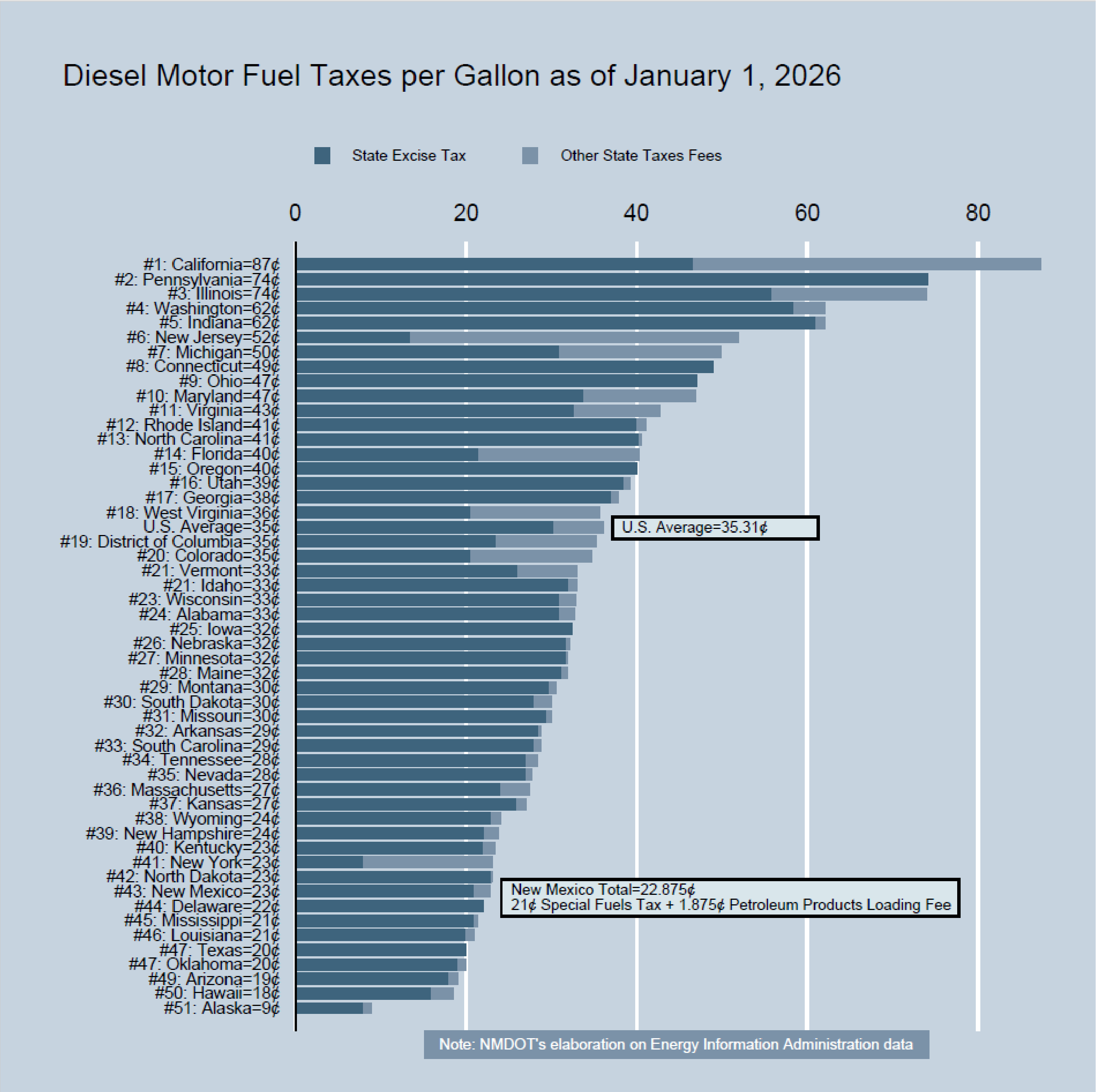
Diesel Motor Fuel Taxes per Gallon as of January 1, 2026



Note: NMDOT's elaboration on Energy Information Administration data
New Mexico Total = 22.875¢ = (21¢ Special Fuels Tax + 1.875¢ Petroleum Products Loading Fee)
The Federal Excise Tax on Diesel is 24.4¢ per gallon

- New Mexico is the 9th lowest in the nation.
- New Mexico is 4th lowest among neighboring states (AZ, UT, CO, OK, TX).
- Every $0.01 increase in diesel tax would result in $6.6 million new revenue annually.

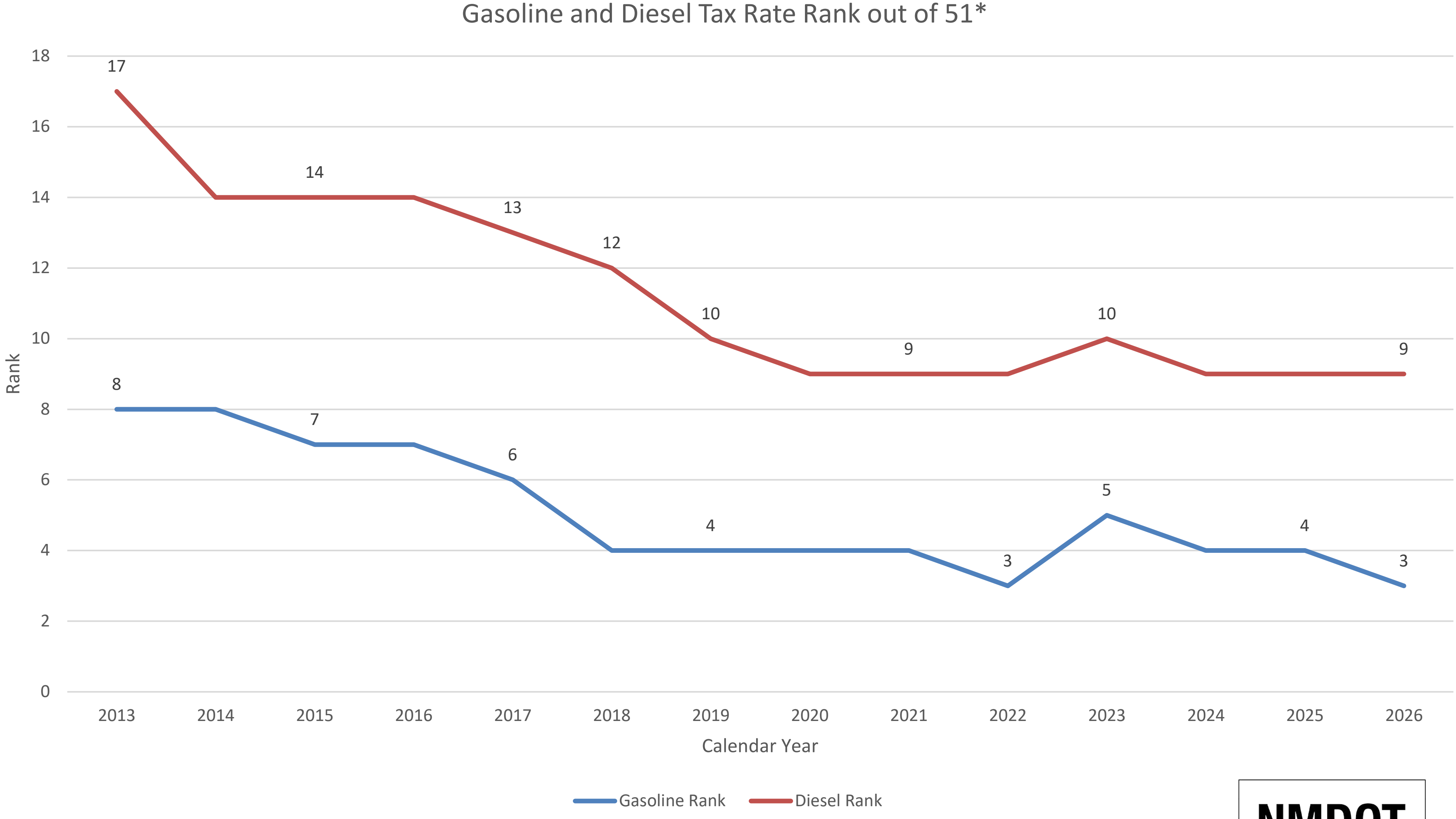
NMDOT


Diesel Motor Fuel Taxes per Gallon as of January 1, 2026
State Excise Tax
Other State Taxes Fees
0
20
40
60
80
#1: California=87¢
#2: Pennsylvania=74¢
#3: Illinois=74¢
#4: Washington=62¢
#5: Indiana=62¢
#6: New Jersey=52¢
#7: Michigan=50¢
#8: Connecticut=49¢
#9: Ohio=47¢
#10: Maryland=47¢
#11: Virginia=43¢
#12: Rhode Island=41¢
#13: North Carolina=41¢
#14: Florida=40¢
#15: Oregon=40¢
#16: Utah=39¢
#17: Georgia=38¢
#18: West Virginia=36¢
U.S. Average=35¢
#19: District of Columbia=35¢
#20: Colorado=35¢
#21: Vermont=33¢
#21: Idaho=33¢
#23: Wisconsin=33¢
#24: Alabama=33¢
#25: Iowa=32¢
#26: Nebraska=32¢
#27: Minnesota=32¢
#28: Maine=32¢
#29: Montana=30¢
#30: South Dakota=30¢
#31: Missouri=30¢
#32: Arkansas=29¢
#33: South Carolina=29¢
#34: Tennessee=28¢
#35: Nevada=28¢
#36: Massachusetts=27¢
#37: Kansas=27¢
#38: Wyoming=24¢
#39: New Hampshire=24¢
#40: Kentucky=23¢
#41: New York=23¢
#42: North Dakota=23¢
#43: New Mexico=23¢
#44: Delaware=22¢
#45: Mississippi=21¢
#46: Louisiana=21¢
#47: Texas=20¢
#47: Oklahoma=20¢
#49: Arizona=19¢
#50: Hawaii=18¢
#51: Alaska=9¢
U.S. Average=35.31¢
New Mexico Total=22.875¢
21¢ Special Fuels Tax + 1.875¢ Petroleum Products Loading Fee
Note: NMDOT's elaboration on Energy Information Administration data

NMDOT

New Mexico Gasoline and Special Fuel Tax Ranking Over Time

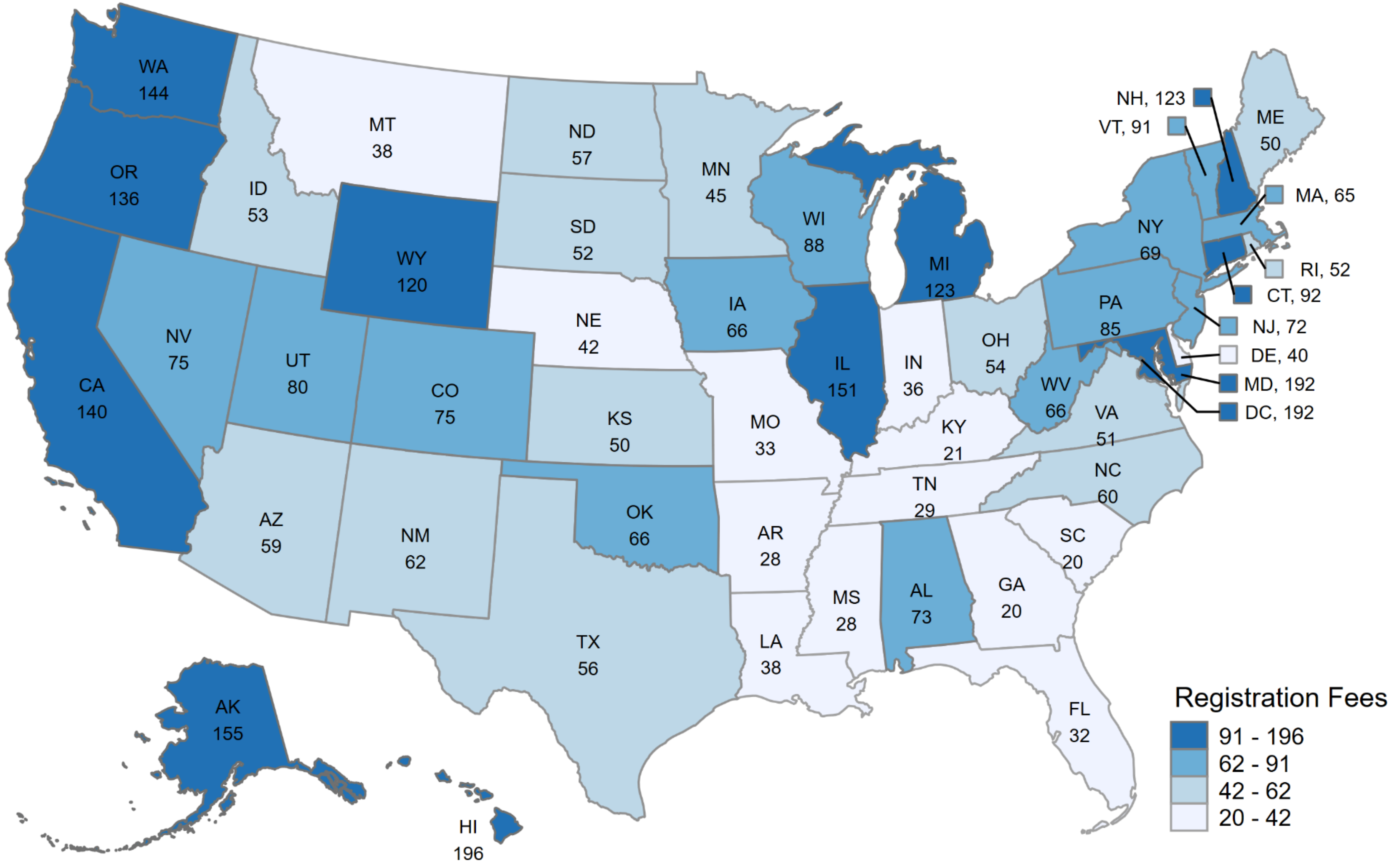
- New Mexico's motor fuel tax rates are moving towards the lowest in the nation.
- The Gasoline Tax rate has dropped
  - from 8th lowest in 2013
  - to 3rd lowest in 2026
- The Diesel Tax Rate has dropped
  - from 17th lowest in 2013
  - to 9th lowest in 2026



* Out of 50 states and the District of Columbia

NMDOT

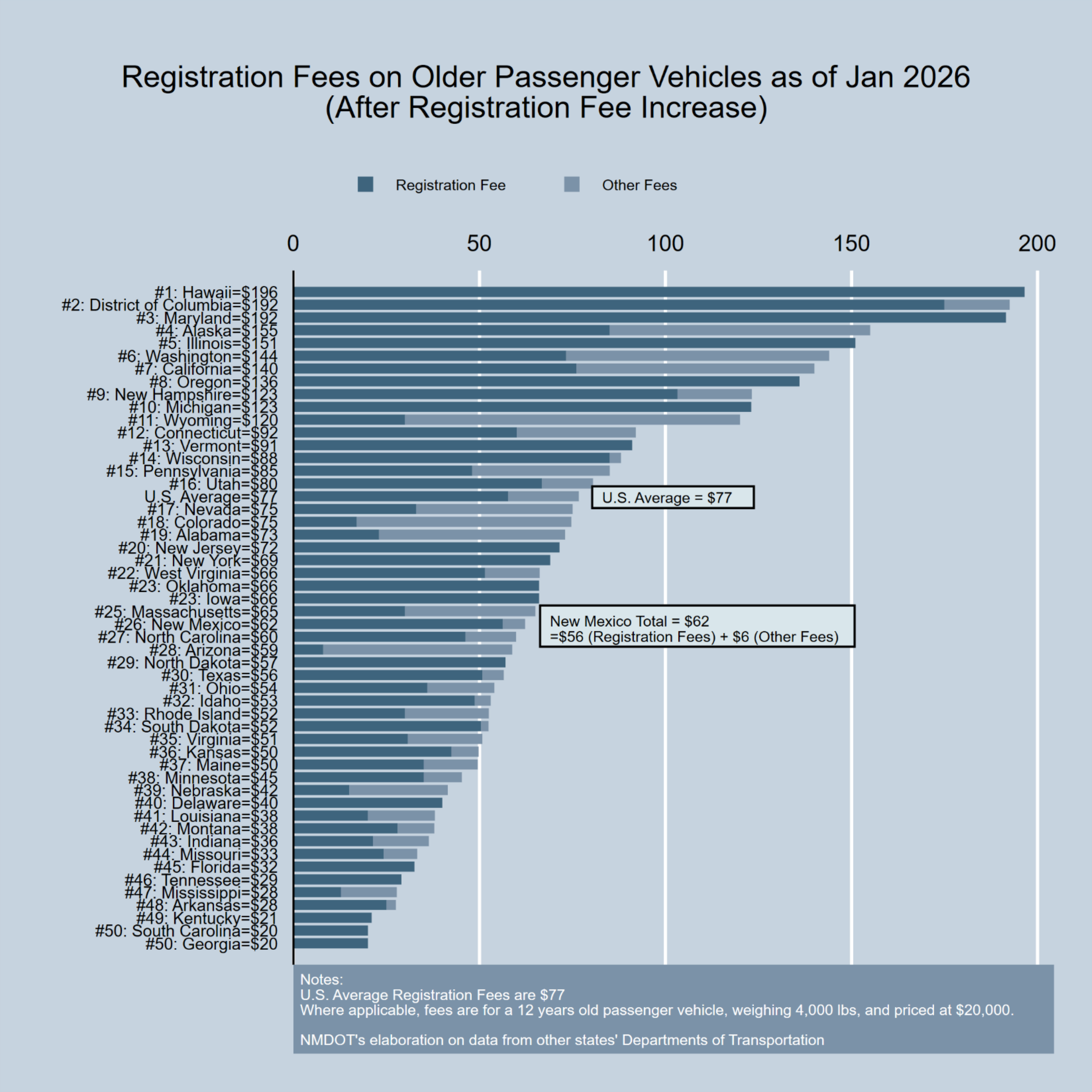
Registration Fees on Older Passenger Vehicles as of Jan 2026 (After Registration Fee Increase)



Notes:
U.S. Average Registration Fees are $77
Where applicable, fees are for a 12 years old passenger vehicle, weighing 4,000 lbs, and priced at $20,000.

NMDOT's elaboration on data from other states' Departments of Transportation

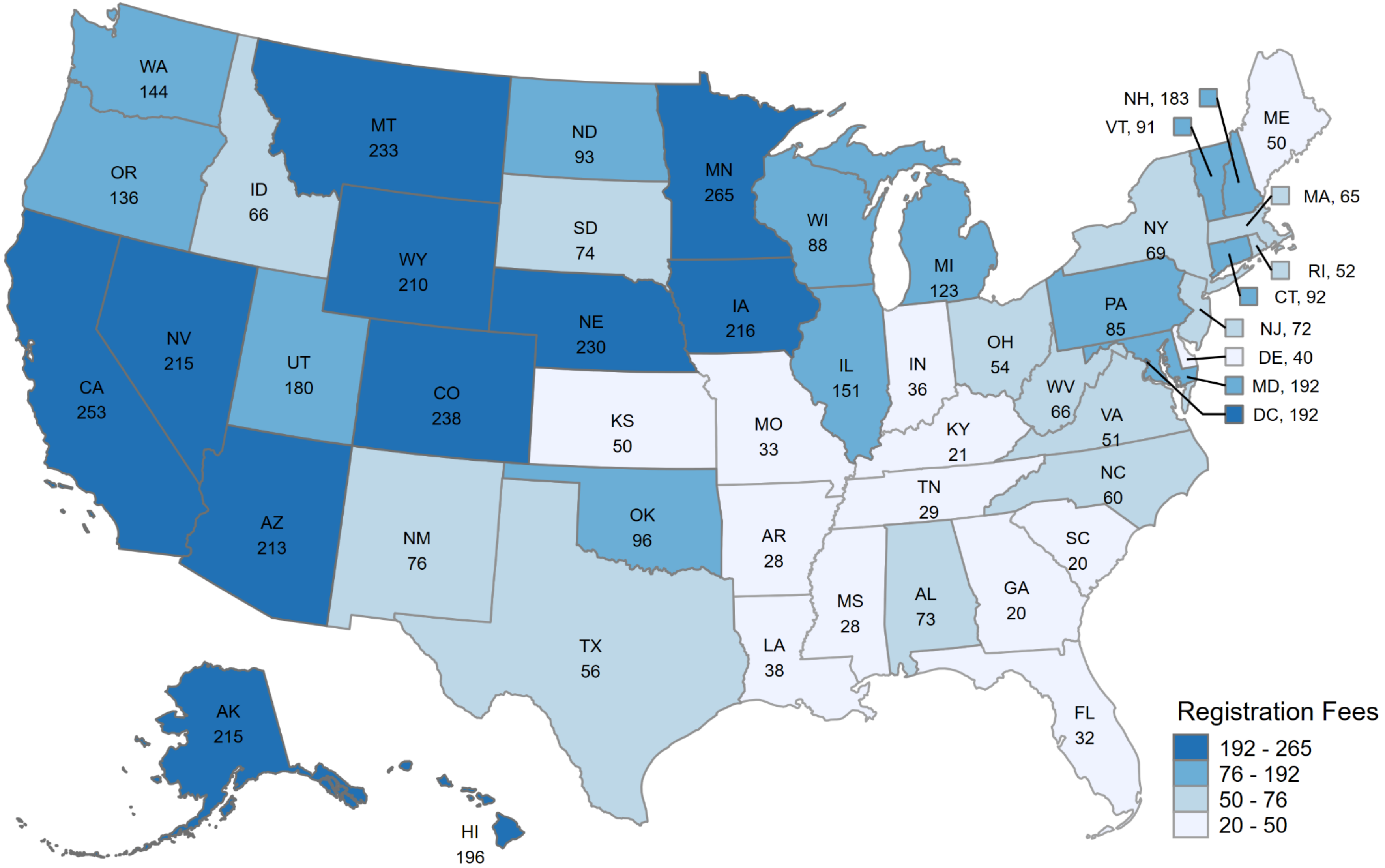
NMDOT



Registration Fees on Older Passenger Vehicles as of Jan 2026
(After Registration Fee Increase)
Registration Fee
Other Fees
0
50
100
150
200
#1: Hawaii=$196
#2: District of Columbia=$192
#3: Maryland=$192
#4: Alaska=$155
#5: Illinois=$151
#6: Washington=$144
#7: California=$140
#8: Oregon=$136
#9: New Hampshire=$123
#10: Michigan=$123
#11: Wyoming=$120
#12: Connecticut=$92
#13: Vermont=$91
#14: Wisconsin=$88
#15: Pennsylvania=$85
#16: Utah=$80
U.S. Average=$77
#17: Nevada=$75
#18: Colorado=$75
#19: Alabama=$73
#20: New Jersey=$72
#21: New York=$69
#22: West Virginia=$66
#23: Oklahoma=$66
#23: Iowa=$66
#25: Massachusetts=$65
#26: New Mexico=$62
#27: North Carolina=$60
#28: Arizona=$59
#29: North Dakota=$57
#30: Texas=$56
#31: Ohio=$54
#32: Idaho=$53
#33: Rhode Island=$52
#34: South Dakota=$52
#35: Virginia=$51
#36: Kansas=$50
#37: Maine=$50
#38: Minnesota=$45
#39: Nebraska=$42
#40: Delaware=$40
#41: Louisiana=$38
#42: Montana=$38
#43: Indiana=$36
#44: Missouri=$33
#45: Florida=$32
#46: Tennessee=$29
#47: Mississippi=$28
#48: Arkansas=$28
#49: Kentucky=$21
#50: South Carolina=$20
#50: Georgia=$20
U.S. Average = $77
New Mexico Total = $62
=$56 (Registration Fees) + $6 (Other Fees)
Notes:
U.S. Average Registration Fees are $77
Where applicable, fees are for a 12 years old passenger vehicle, weighing 4,000 lbs, and priced at $20,000.
NMDOT's elaboration on data from other states' Departments of Transportation

NMDOT

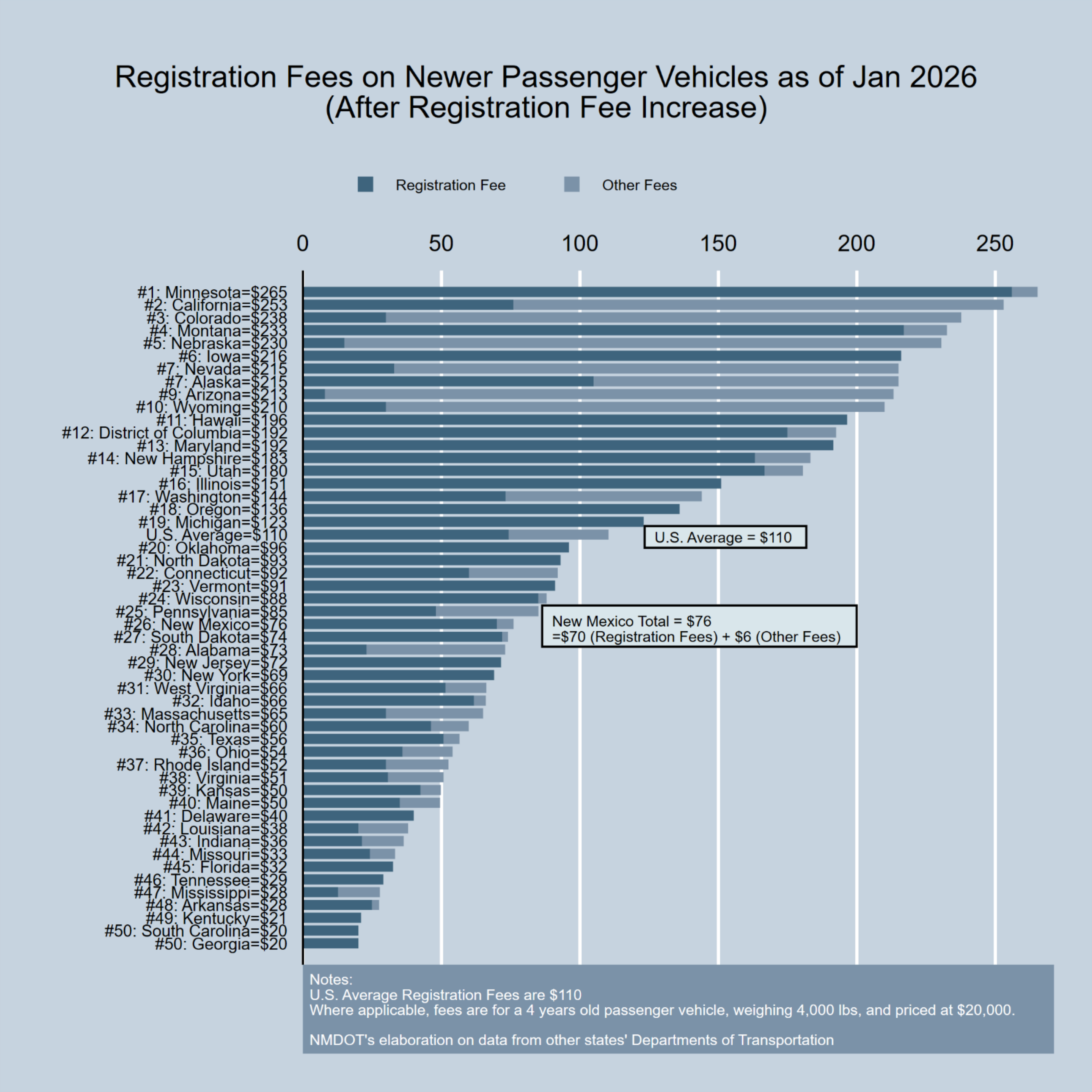
Registration Fees on Newer Passenger Vehicles as of Jan 2026



Notes:
U.S. Average Registration Fees are $110
Where applicable, fees are for a 4 years old passenger vehicle, weighing 4,000 lbs, and priced at $20,000.

NMDOT's elaboration on data from other states' Departments of Transportation

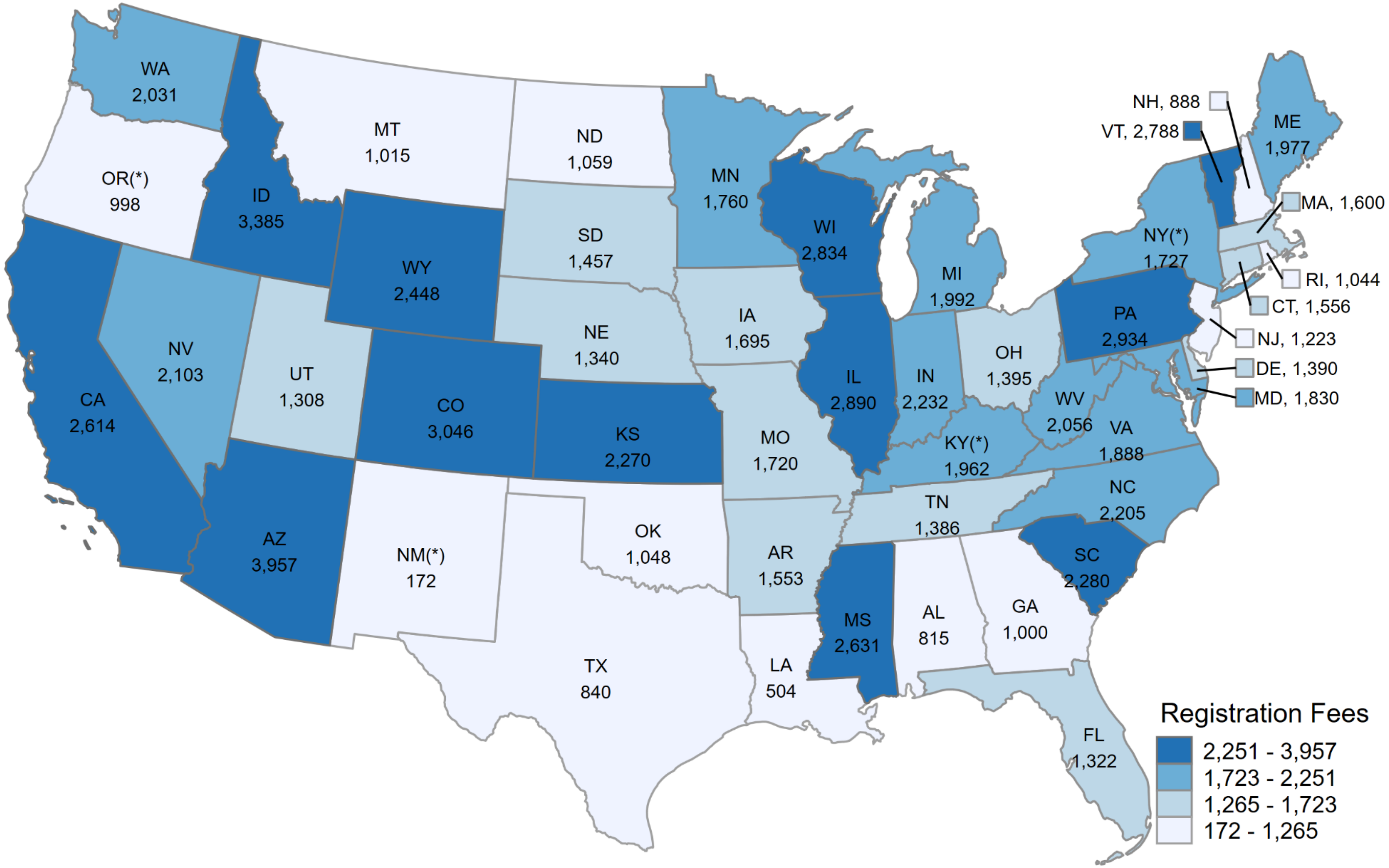
NMDOT



Registration Fees on Newer Passenger Vehicles as of Jan 2026
(After Registration Fee Increase)
Registration Fee
Other Fees
0
50
100
150
200
250
#1: Minnesota=$265
#2: California=$253
#3: Colorado=$238
#4: Montana=$233
#5: Nebraska=$230
#6: Iowa=$216
#7: Nevada=$215
#7: Alaska=$215
#9: Arizona=$213
#10: Wyoming=$210
#11: Hawaii=$196
#12: District of Columbia=$192
#13: Maryland=$192
#14: New Hampshire=$183
#15: Utah=$180
#16: Illinois=$151
#17: Washington=$144
#18: Oregon=$136
#19: Michigan=$123
U.S. Average=$110
#20: Oklahoma=$96
#21: North Dakota=$93
#22: Connecticut=$92
#23: Vermont=$91
#24: Wisconsin=$88
#25: Pennsylvania=$85
#26: New Mexico=$76
#27: South Dakota=$74
#28: Alabama=$73
#29: New Jersey=$72
#30: New York=$69
#31: West Virginia=$66
#32: Idaho=$66
#33: Massachusetts=$65
#34: North Carolina=$60
#35: Texas=$56
#36: Ohio=$54
#37: Rhode Island=$52
#38: Virginia=$51
#39: Kansas=$50
#40: Maine=$50
#41: Delaware=$40
#42: Louisiana=$38
#43: Indiana=$36
#44: Missouri=$33
#45: Florida=$32
#46: Tennessee=$29
#47: Mississippi=$28
#48: Arkansas=$28
#49: Kentucky=$21
#50: South Carolina=$20
#50: Georgia=$20
U.S. Average = $110
New Mexico Total = $76
=$70 (Registration Fees) + $6 (Other Fees)
Notes:
U.S. Average Registration Fees are $110
Where applicable, fees are for a 4 years old passenger vehicle, weighing 4,000 lbs, and priced at $20,000.
NMDOT's elaboration on data from other states' Departments of Transportation

NMDOT

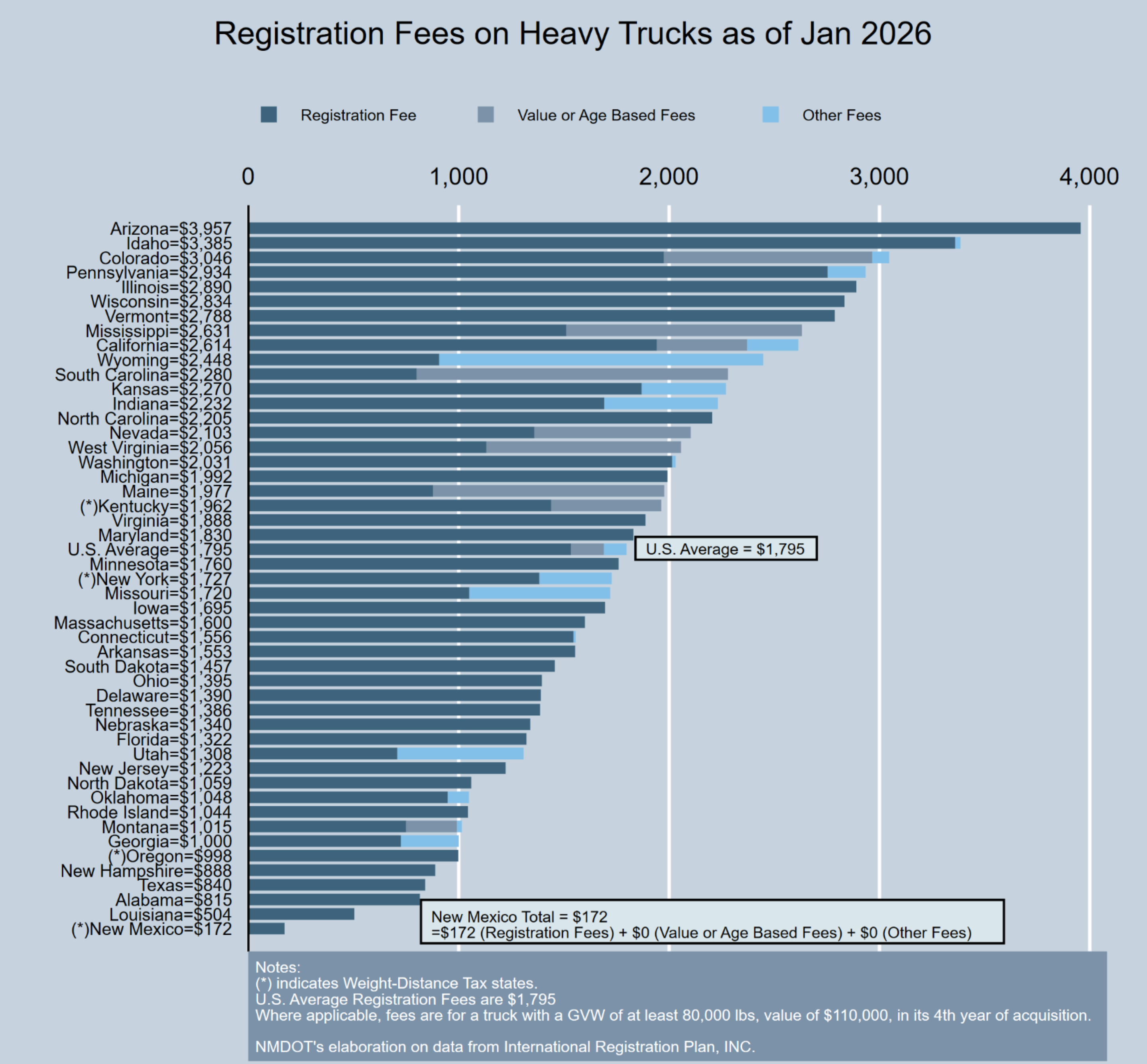
Registration Fees on Heavy Trucks as of Jan 2026



Notes:
(*) indicates Weight-Distance Tax states.
U.S. Average Registration Fees are $1,795
Where applicable, fees are for a truck with a gross vehicle weight of at least 80,000 lbs, value of $110,000, in its 4th year of acquisition.

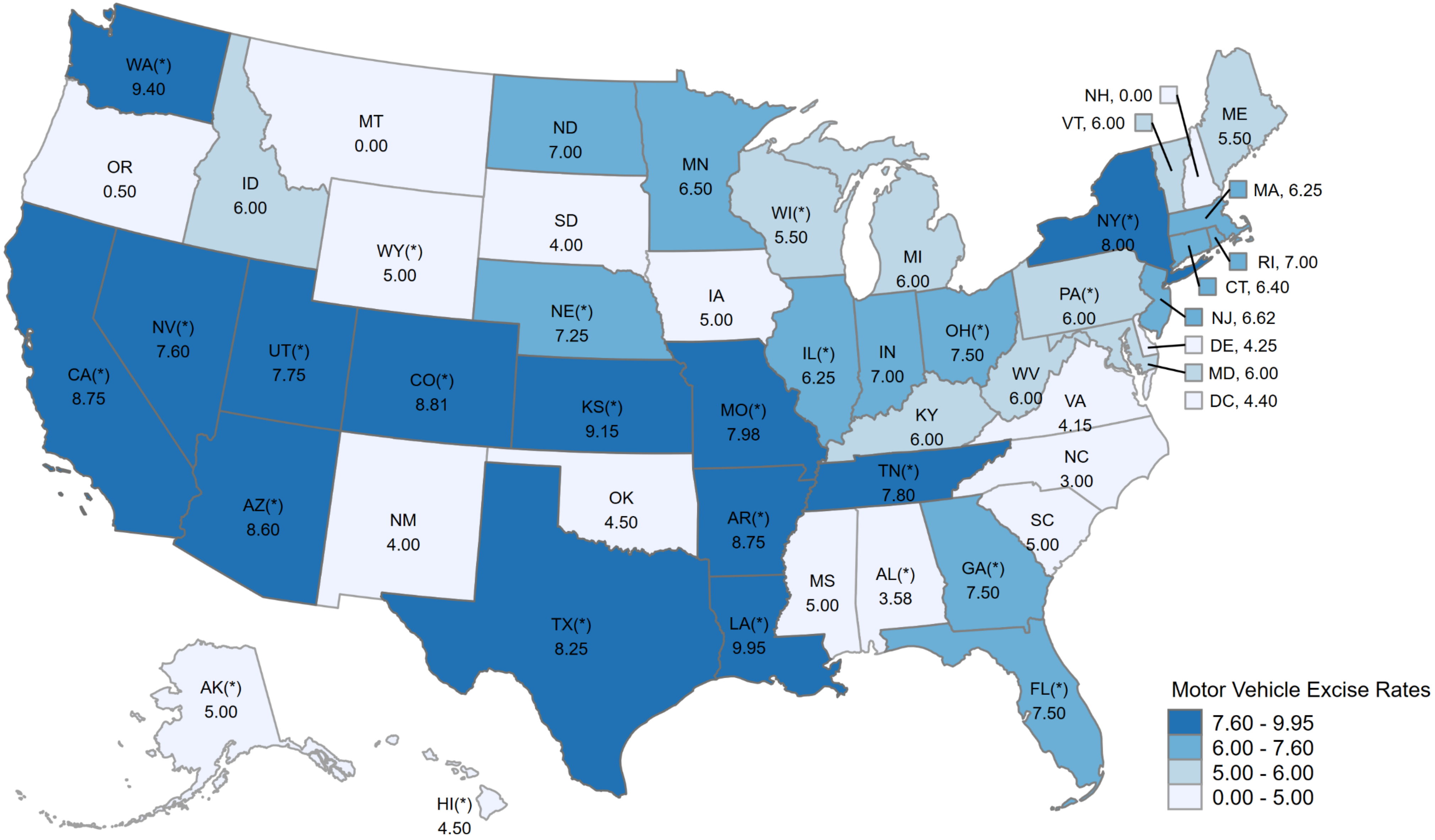
NMDOT's elaboration on data from International Registration Plan, INC.

NMDOT


Registration Fees on Heavy Trucks as of Jan 2026
Registration Fee
Value or Age Based Fees
Other Fees
0
1,000
2,000
3,000
4,000
Arizona=$3,957
Idaho=$3,385
Colorado=$3,046
Pennsylvania=$2,934
Illinois=$2,890
Wisconsin=$2,834
Vermont=$2,788
Mississippi=$2,631
California=$2,614
Wyoming=$2,448
South Carolina=$2,280
Kansas=$2,270
Indiana=$2,232
North Carolina=$2,205
Nevada=$2,103
West Virginia=$2,056
Washington=$2,031
Michigan=$1,992
Maine=$1,977
(*)Kentucky=$1,962
Virginia=$1,888
Maryland=$1,830
U.S. Average=$1,795
Minnesota=$1,760
(*)New York=$1,727
Missouri=$1,720
Iowa=$1,695
Massachusetts=$1,600
Connecticut=$1,556
Arkansas=$1,553
South Dakota=$1,457
Ohio=$1,395
Delaware=$1,390
Tennessee=$1,386
Nebraska=$1,340
Florida=$1,322
Utah=$1,308
New Jersey=$1,223
North Dakota=$1,059
Oklahoma=$1,048
Rhode Island=$1,044
Montana=$1,015
Georgia=$1,000
(*)Oregon=$998
New Hampshire=$888
Texas=$840
Alabama=$815
Louisiana=$504
(*)New Mexico=$172
U.S. Average = $1,795
New Mexico Total = $172
=$172 (Registration Fees) + $0 (Value or Age Based Fees) + $0 (Other Fees)
Notes:
(*) indicates Weight-Distance Tax states.
U.S. Average Registration Fees are $1,795
Where applicable, fees are for a truck with a GVW of at least 80,000 lbs, value of $110,000, in its 4th year of acquisition.
NMDOT's elaboration on data from International Registration Plan, INC.

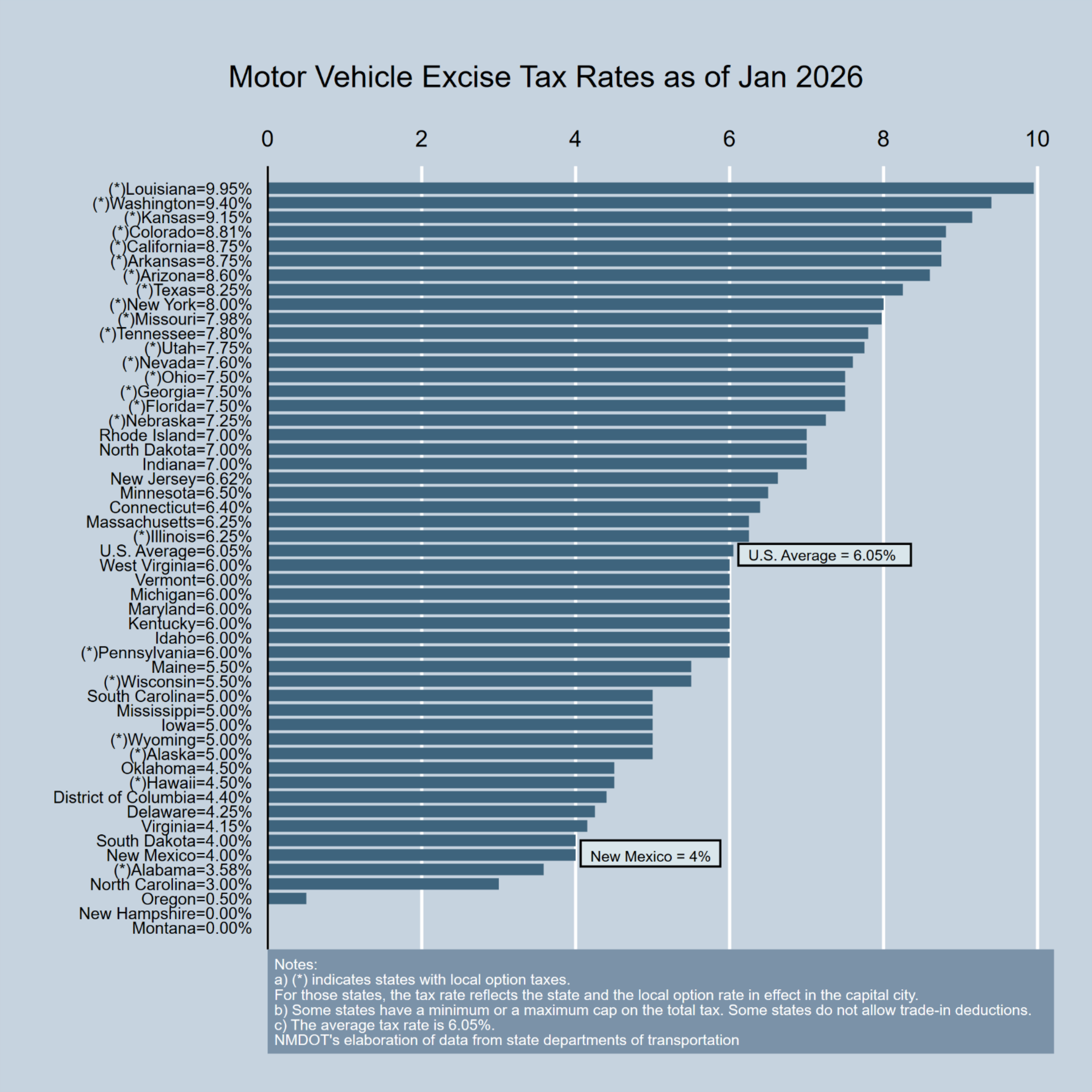
NMDOT

Vehicle Excise Tax Rates as of Jan 2026



Notes:
a) (*) indicates states with local option taxes. For those states, the tax rate reflects the state and the local option rate in effect in the capital city.
b) Some states have a minimum or a maximum cap on the total tax. Some states do not allow trade-in deductions.
c) The average tax rate is 6%.
NMDOT's elaboration of data from state departments of transportation

OT



Motor Vehicle Excise Tax Rates as of Jan 2026
0
2
4
6
8
10
(*)Louisiana=9.95%
(*)Washington=9.40%
(*)Kansas=9.15%
(*)Colorado=8.81%
(*)California=8.75%
(*)Arkansas=8.75%
(*)Arizona=8.60%
(*)Texas=8.25%
(*)New York=8.00%
(*)Missouri=7.98%
(*)Tennessee=7.80%
(*)Utah=7.75%
(*)Nevada=7.60%
(*)Ohio=7.50%
(*)Georgia=7.50%
(*)Florida=7.50%
(*)Nebraska=7.25%
Rhode Island=7.00%
North Dakota=7.00%
Indiana=7.00%
New Jersey=6.62%
Minnesota=6.50%
Connecticut=6.40%
Massachusetts=6.25%
(*)Illinois=6.25%
U.S. Average=6.05%
West Virginia=6.00%
Vermont=6.00%
Michigan=6.00%
Maryland=6.00%
Kentucky=6.00%
Idaho=6.00%
(*)Pennsylvania=6.00%
Maine=5.50%
(*)Wisconsin=5.50%
South Carolina=5.00%
Mississippi=5.00%
Iowa=5.00%
(*)Wyoming=5.00%
(*)Alaska=5.00%
Oklahoma=4.50%
(*)Hawaii=4.50%
District of Columbia=4.40%
Delaware=4.25%
Virginia=4.15%
South Dakota=4.00%
New Mexico=4.00%
(*)Alabama=3.58%
North Carolina=3.00%
Oregon=0.50%
New Hampshire=0.00%
Montana=0.00%
U.S. Average = 6.05%
New Mexico = 4%
Notes:
a) (*) indicates states with local option taxes.
For those states, the tax rate reflects the state and the local option rate in effect in the capital city.
b) Some states have a minimum or a maximum cap on the total tax. Some states do not allow trade-in deductions.
c) The average tax rate is 6.05%.
NMDOT's elaboration of data from state departments of transportation

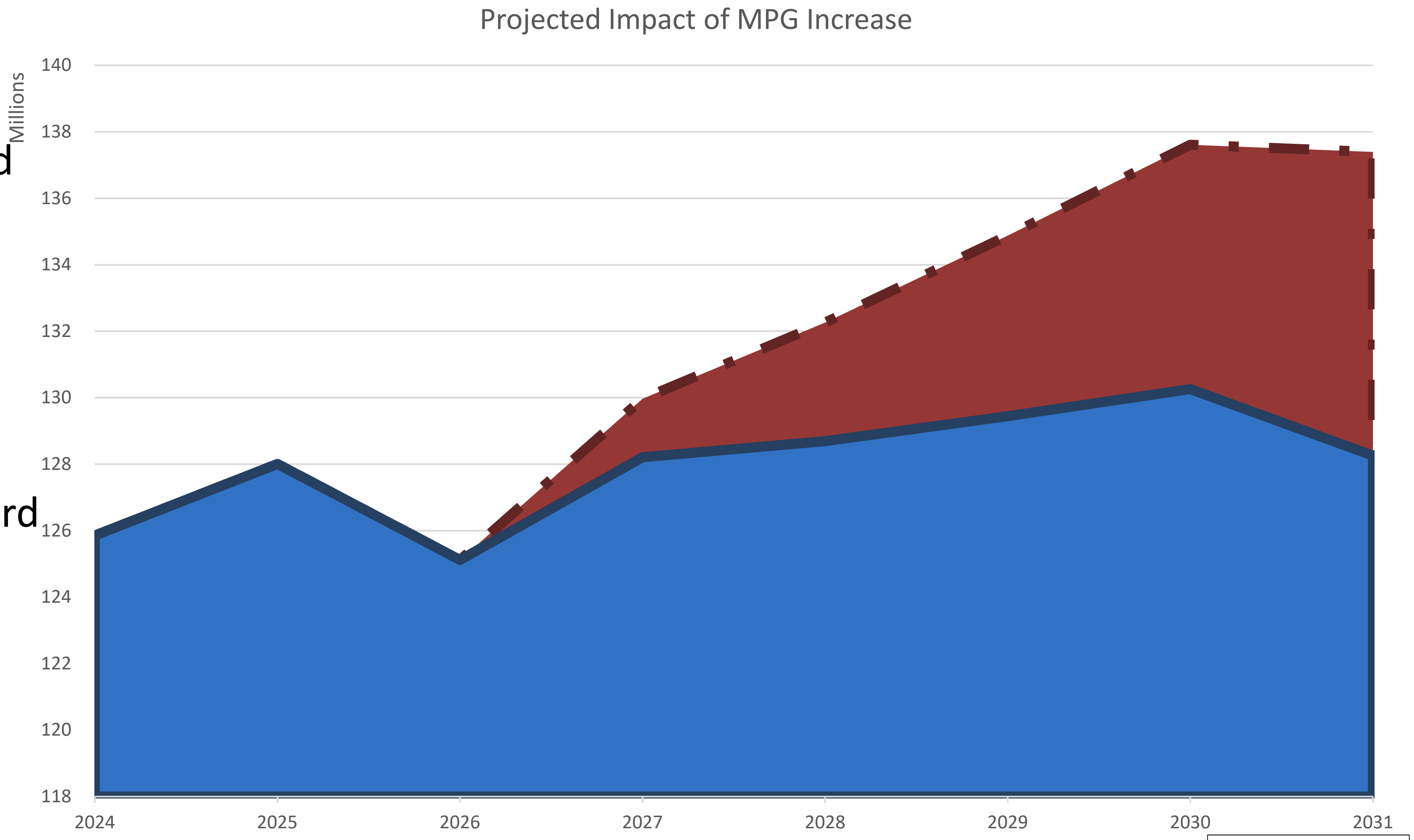
NMDOT

Trends in Road Funding

NMDOT

Challenges for Road Fund Revenues
Fuel Efficiency

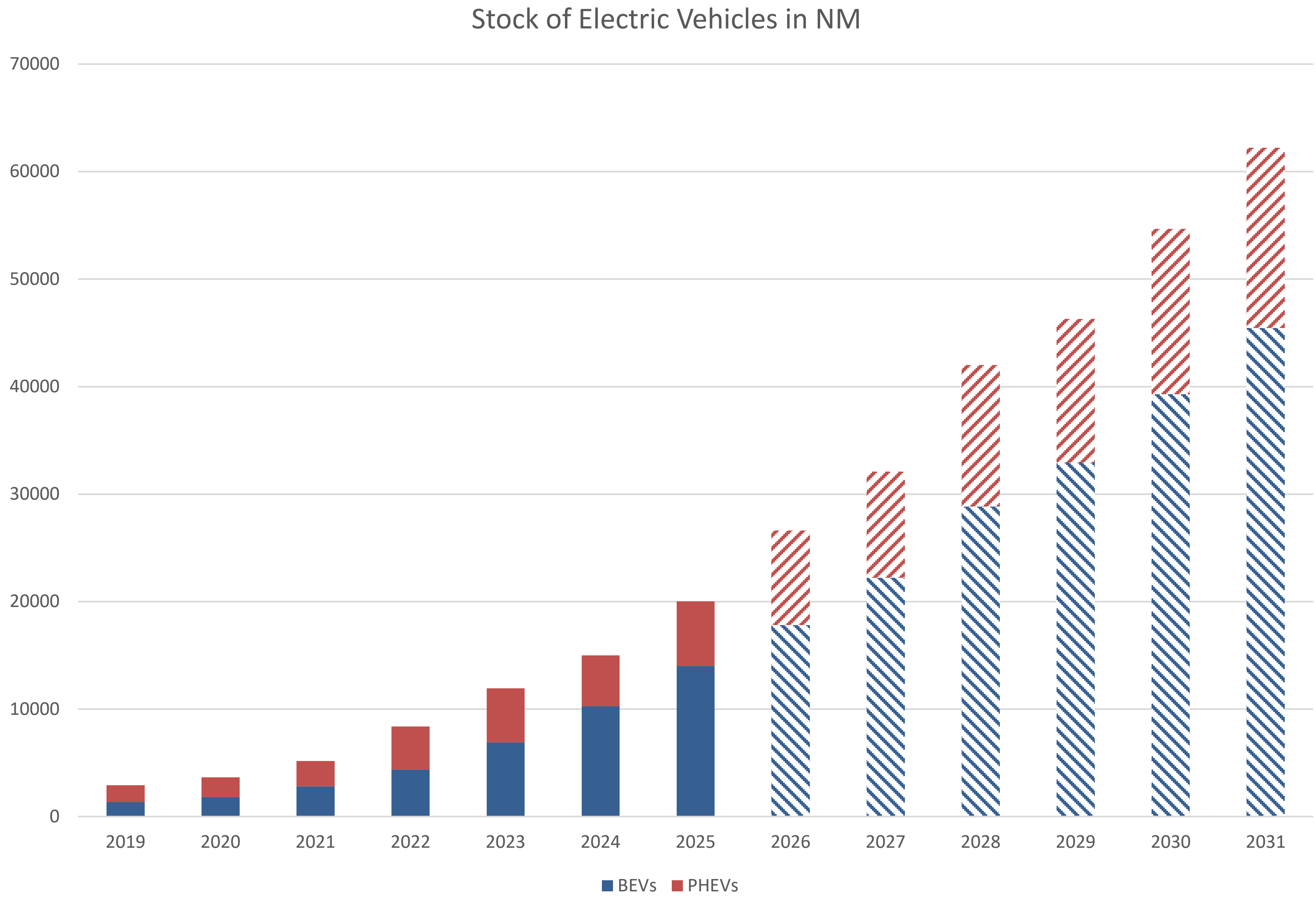
- From FY25 to FY31 MPG expected to grow 8.9% from 21.55 to 23.47
- Red area shows the forecasted revenue lost due to increased fuel efficiency.
  - Total impact: -$27.2M (FY25-FY31)
  - Assuming MPG remained constant from FY25 onward compared to forecasted gasoline revenue.



NMDOT

Challenges for Road Fund Revenues
Electric Vehicle Adoption

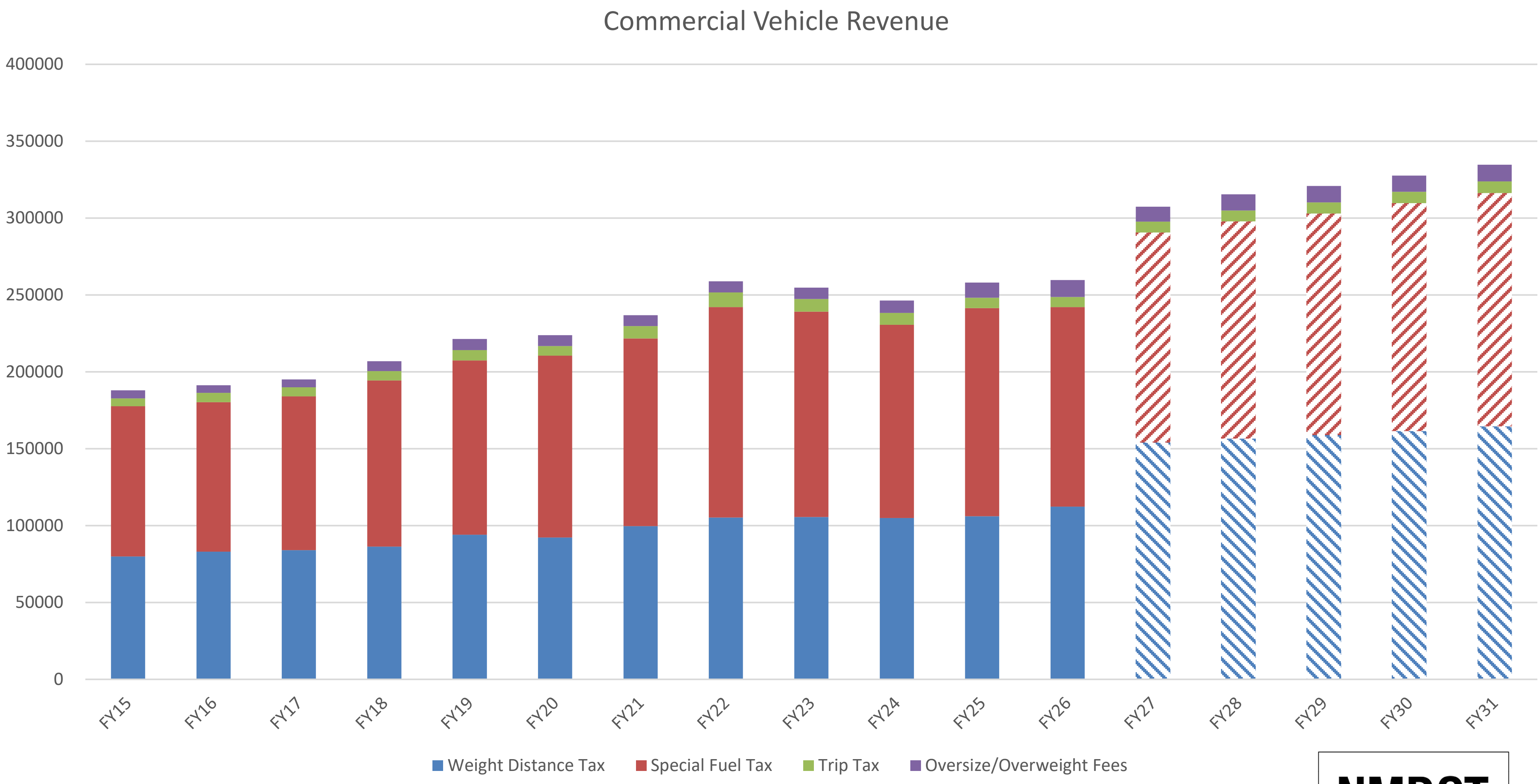
- From 2019 to 2025 the stock of electric vehicles has grown 586%
- By 2031 it is expected to grow another 211%
- While still a relatively low fraction of all registered vehicles, the impact will become noticeable soon.



NMDOT

Challenges for Road Fund Revenues
Commercial Vehicle Revenue Dependence

- Road Fund revenue from commercial vehicles is expected to grow significantly.
- Road Fund revenue will be more affected by national and international shocks.



NMDOT

Questions?

Michael Morrison PhD, Chief Economist, Department of Transportation

Mallery Manzanares, Administrative Services Director, Department of Transportation

David Quintana P.E., Acting Cabinet Secretary, Department of Transportation

NMDOT

Extra Resources

NMDOT

LGRF

Formula Based-

- **Cooperative Program: 42%**
  - Counties, Municipalities, School Districts, Universities and Tribal.
  - 18 Month Agreements.
- **County Arterial: 26%**
  - Counties Only.
  - 18 Month Agreements.
- **School Bus Routes: 16%**
  - Counties Only.
  - 18 Month Agreements.
- **Municipals Arterial: 16%**
  - Municipalities Only.
  - 24 Month Agreements.

FY27 LGRF BREAKDOWN		*TOTAL
GROSS REVENUE		**54,058**
LESS: MATCH WAIVER		(1,000)
LESS: EQUIPMENT WAIVER		(500)
		0
ADJUSTED NET REVENUE		52,558
EXPENDITURE SPREAD		
CO-OP	42%	21,134
SCHOOL BUS	16%	8,051
CAP	26%	13,083
MAP	16%	10,289
SUB-TOTAL		52,558
EQUIPMENT WAIVER		500
MATCH WAIVER		1,000
FROZEN		0
TOTAL LGRF EXPENDITURE BUDGET		**54,058**

NMDOT

TPF

No Formula

- Eligible Projects
  - Planning, design, environmental, acquisition, right of way & construction.
  - Infrastructure includes highways, streets, roadways, bridges, crossing structures, parking facilities, including all areas for vehicular, transit bicycle or pedestrian user for travel, ingress, egress and parking.
- Process
  - Applicants must submit packet to MPO/RTPO for review and ranking.
  - MPO/RTPO submit ranking to District Engineer for review and consideration.
  - District Engineer submits rankings to Cabinet Secretary.
  - Cabinet Secretary submits final recommendation to NMDOT Commission for final approval.

NMDOT