

LFC Requester:

Torres, Ismael

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 01/15/2026

Check all that apply:

Bill Number: House Bill 27

Original X

Correction

Amendment

Substitute

Sponsor: Rep. Meredith A. Dixon

Agency Name and 305 – New Mexico

Code Number: Department of Justice

Person Writing

Analysis: Blaine N. Moffatt

Short TECHNOLOGY JOBS R&D

Title: TAX CREDIT EXPANSION

Phone: 505-645-5980

Email: Fir.request@nmdoj.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
 Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator's request. The analysis does not represent any official policy or legal position of the NM Department of Justice.

BILL SUMMARY

Synopsis:

House Bill 27 ("HB27") seeks to change several sections within the Technology Jobs and Research and Development Tax Credit Act (the "Act") found in NMSA 1978, Sections 7-9F-1 to -13.

SECTION 1: More specifically, HB27 proposes to change the definitions for a "Qualified Expenditure" by removing the exclusion for "property that is owned by a municipality or county in connection with an industrial revenue bond project." Section 7-9F-3(G). HB27 additionally seeks to amend the definition of a "Qualified Facility" by clarifying that "a facility in New Mexico designated as a national laboratory by an act of congress or a research facility in New Mexico that is owned by the state" is NOT a Qualified Facility. Section 7-9F-3(H).

SECTION 2: HB27 proposes to change the time frame for which a taxpayer can claim any additional tax credits not previously claimed. The proposed changes allow a taxpayer to claim any amount of unclaimed tax credits for up to 10 years rather than 3 years.

SECTION 3: HB27 proposes to add additional language to the Act under NMSA 1978, Section 7-9F-9.2 that would allow for the transferability of credits.

SECTION 4: HB27 would apply to tax years beginning in January 2026.

FISCAL IMPLICATIONS

None.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relation:

House Bill 82: House Bill 82 (“HB82”) proposes to amend the Gross Receipts and Compensating Tax Act. More specifically, HB82 proposes extending the Technology Readiness Gross Receipts Tax Credit found in NMSA 1978, Section 7-9-96.3 until 2035 and have gradual increases to the amount of credit from 2027 until 2035. This is related to HB27 because they are both related to Technology Tax Credits.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo.

AMENDMENTS

None.