

LFC Requester:

Francis Norton

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov*(Analysis must be uploaded as a PDF)***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

Date Prepared: January 28, 2026 *Check all that apply:*
Bill Number: SB 113 Original Correction
 Amendment Substitute

Sponsor: Senator Antonio Maestas **Agency Name and Code** Office of Natural Resources Trustee (668)
Short Title: AGRICULTURAL BIOMASS TAX CREDIT AMOUNTS **Number:** _____
Person Writing Kate Girard, Executive Director
Phone: (505) 313-1837 **Email** kate.girard@onrt.nm.gov

SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---------------|-------|---------------------------|---------------|
| FY26 | FY27 | | |
| \$0.0 | \$0.0 | N/A | N/A |
| | | | |

REVENUE (dollars in thousands)

| Estimated Revenue | | | Recurring or Nonrecurring | Fund Affected |
|-------------------|-------|-------|---------------------------|---------------|
| FY26 | FY27 | FY28 | | |
| \$0.0 | \$0.0 | \$0.0 | N/A | N/A |
| | | | | |

(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 | \$0.0 | \$0.0 | \$0.0 | \$0.0 | N/A | N/A |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: N/A

Duplicates/Relates to Appropriation in the General Appropriation Act: N/A

SECTION III: NARRATIVE

BILL SUMMARY

SB 113 Section 1 amends NMSA 1978, 7-2-18.26(A) to increase the Agricultural Biomass Income tax credit from five dollars (\$5.00) to ten dollars (\$10.00) per wet ton of agricultural biomass transported from the taxpayer's dairy or feedlot to a facility that uses agricultural biomass to generate electricity or make biocrude or other liquid or gaseous fuel for commercial use.

SB113 Section 2 amends NMSA 1978, 7-2A-26 (A) to increase the Agricultural Biomass Corporate Tax Credit from five dollars (\$5.00) to ten dollars (\$10.00) per wet ton of agricultural biomass transported from the taxpayer's dairy or feedlot to a facility that uses agricultural biomass to generate electricity or make biocrude or other liquid or gaseous fuel for commercial use.

SB113 Section 3 states that the amendments apply to taxable years beginning on or after January 1, 2026.

FISCAL IMPLICATIONS: N/A

SIGNIFICANT ISSUES: N/A

PERFORMANCE IMPLICATIONS: N/A

ADMINISTRATIVE IMPLICATIONS: N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP: N/A

TECHNICAL ISSUES: N/A

OTHER SUBSTANTIVE ISSUES: N/A

ALTERNATIVES: N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL: The Agricultural Biomass Income tax credit and the Agricultural Biomass Corporate Tax Credit will remain at five dollars (\$5.00) per wet ton of agricultural biomass.

AMENDMENTS