

<b>LFC Requester:</b>	<b>Jennifer Faubion</b>
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**AGENCY BILL ANALYSIS - 2026 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**  
[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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** 1/29/2026 *Check all that apply:*  
**Prepared:** \_\_\_\_\_  
**Bill** SB 182 Original  Correction \_\_\_\_\_  
**Number:** \_\_\_\_\_ Amendment  Substitute

**Sponsor:** Joshua Sanchez  
 Crystal Brantley Pat  
 Woods  
**Agency Name and Code Number:** NMDA - 199  
**Person Writing Analysis:** Jeff Witte  
**Short Title:** Dyed Diesel GRT Deduction  
**Phone:** 575-294-3817 **Email:** Jheitz@nmda.nm.su.edu

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

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

(Parenthesis ( ) indicate expenditure decreases)

**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

<b>Total</b>	NFI	NFI	NFI	NFI	N/A	N/A
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(Parenthesis ( ) Indicate Expenditure Decreases)

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

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis:

Senate bill 182 (SB 182) amends the Gross Receipts Tax Deduction (chapter 7, article 9 NMSA 2024) to provide gross receipts tax deductions in accordance with federal regulations for dyed diesel sold in the state. SB 182 provides the provisions for reporting the amount of the deduction to the department.

SB 182 repeals a gross receipts tax credit for dyed diesel used for agricultural purposes (chapter 7, article 9 section 7-9-58.1 NMSA 2024).

The effective date of this bill is July 1, 2026.

**FISCAL IMPLICATIONS**

There would be no fiscal implications to the New Mexico department of agriculture (NMDA).

**SIGNIFICANT ISSUES**

New Mexico department of agriculture (NMDA) does not have statutory authority over gross receipts tax for dyed diesel but provides the following information:

Dyed diesel is exempt from both federal and state motor fuel excise taxes. Dyed fuels are used for purposes other than road vehicles (agriculture, construction equipment).

**PERFORMANCE IMPLICATIONS**

N/A

**ADMINISTRATIVE IMPLICATIONS**

There would be no administrative implications to New Mexico department of agriculture (NMDA).

**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**

If SB 182 is not enacted, the Gross Receipts and Compensating Tax Act would not be amended, and the gross receipts tax credit for dyed diesel used for agricultural purposes would not be repealed.

## **AMENDMENTS**

N/A