

SENATE FINANCE COMMITTEE SUBSTITUTE FOR
SENATE BILL 76

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

AN ACT

RELATING TO TAXATION; INCREASING AND INDEXING THE GASOLINE TAX
AND THE SPECIAL FUEL EXCISE TAX.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 7-13-3 NMSA 1978 (being Laws 1971,
Chapter 207, Section 3, as amended) is amended to read:

"7-13-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS
"GASOLINE TAX".--

A. For the privilege of receiving gasoline in this
state, there is imposed an excise tax at a rate provided in
Subsection B of this section on each gallon of gasoline
received in New Mexico.

B. The tax imposed by Subsection A of this section
shall be: [~~seventeen cents (\$.17)~~]

(1) prior to July 1, 2028, twenty-three cents

1 (\$.23) per gallon received in New Mexico; and

2 (2) on and after July 1, 2028, the rate
3 determined pursuant to Subsection C of this section.

4 C. No later than April 30, 2028 and April 30 of
5 each subsequent year, the department shall calculate the rate
6 of gasoline tax to be imposed as of July 1 of that year. The
7 rate of the gasoline tax per gallon shall be equal to the
8 product, rounded down to the nearest whole cent, of twenty-
9 three cents (\$.23) multiplied by a fraction with a numerator
10 equal to the consumer price index for the previous calendar
11 year and a denominator equal to the consumer price index for
12 calendar year 2026; provided that the rate of the tax shall not
13 be less than the rate imposed on July 1 of the previous year.
14 As used in this subsection, "consumer price index" means the
15 consumer price index for all urban consumers as published by
16 the United States bureau of labor statistics.

17 ~~[G.]~~ D. The tax imposed by this section may be
18 called the "gasoline tax".

19 **SECTION 2.** Section 7-16A-3 NMSA 1978 (being Laws 1992,
20 Chapter 51, Section 3, as amended) is amended to read:

21 "7-16A-3. IMPOSITION AND RATE OF TAX--DENOMINATION AS
22 SPECIAL FUEL EXCISE TAX.--

23 A. For the privilege of receiving or using special
24 fuel in this state, there is imposed an excise tax at a rate
25 provided in Subsection B of this section on each gallon of

1 special fuel received in New Mexico.

2 B. The tax imposed by Subsection A of this section
3 shall be: [~~twenty-one cents (\$.21)~~]

4 (1) prior to July 1, 2028, twenty-six cents
5 (\$.26) per gallon of special fuel received or used in New
6 Mexico; and

7 (2) on and after July 1, 2028, the rate
8 determined pursuant to Subsection C of this section.

9 C. No later than April 30, 2028 and April 30 of
10 each subsequent year, the department shall calculate the rate
11 of special fuel excise tax to be imposed as of July 1 of that
12 year. The rate of the special fuel excise tax per gallon shall
13 be equal to the product, rounded down to the nearest whole
14 cent, of twenty-six cents (\$.26) multiplied by a fraction with
15 a numerator equal to the consumer price index for the previous
16 calendar year and a denominator equal to the consumer price
17 index for calendar year 2026; provided that the rate of the tax
18 shall not be less than the rate imposed on July 1 of the
19 previous year. As used in this subsection, "consumer price
20 index" means the consumer price index for all urban consumers
21 as published by the United States bureau of labor statistics.

22 [~~G.~~] D. The tax imposed by this section may be
23 called the "special fuel excise tax".

24 **SECTION 3. EFFECTIVE DATE.**--The effective date of the
25 provisions of this act is July 1, 2026.

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