

LFC Requester: \_\_\_\_\_

**AGENCY BILL ANALYSIS  
2024 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:**

**Analysis.nmlegis.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}*

Check all that apply:

Original  Amendment \_\_\_\_\_  
Correction \_\_\_\_\_ Substitute \_\_\_\_\_

Date 1/31/2024  
Bill No: HB275

Sponsor: Joshua Hernandez Agency Name and Code: Economic Development Dept. 41900  
Short Title: High-Wage Jobs Tax Credit Determinations Person Writing: Patrick Gannon  
Phone: 505-470-3572 Email: Patrick.gannon@edd.nm.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>						

(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:

House Bill 275 (HB275) amends current language pertaining to the High-Wage Jobs Tax Credit, reducing the amount of time the Taxation and Revenue Department has to make a determination on an application for a High-Wage Jobs Tax Credit to be in line with other tax credits; clarifies willful submission of a certification for the credit and amends definitions applicable to the credit.

HB275 removes the time period of within one hundred eighty days of the date of which an application was filed for the Taxation and Revenue Department to make a determination of eligibility for the credit. The bill also removes an “incorrect” submission of a certification from penalty, with only “false” or “fraudulent” certifications subject to penalty.

HB275 removes the definitions of “domicile” and “resident” and amends the definition of “eligible employee” to an individual who is employed in New Mexico by an eligible employer and who is a resident as defined in the Income Tax Act for forty-four weeks of a qualifying period. The bill also amends the definition of an “eligible employer” as an employer that, during the applicable qualifying period, the employer also be eligible for the development training program assistance under the policies in effect for the fiscal year of the qualifying period that closed during the calendar year for which the application is made or the policies in effect that define development training program eligibility.

The bill extends the time period for a newly created high-wage job from July 1, 2026, to July 1, 2030. HB275 also amends the definition of a “new job” that is occupied by an employee who has not been employed in New Mexico by an eligible employer, from three years prior to the date of hire, to twelve months prior to the date of hire.

The bill amends the definition of “threshold job” removing the language that the job is occupied for a least forty-four weeks of a calendar year and replaced with is occupied for a least forty-four weeks of the first fifty-two weeks of employment by an employee; provided that the fifty-two week period begins on the day the eligible employee occupies the job.

**FISCAL IMPLICATIONS**

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

**SIGNIFICANT ISSUES**

**PERFORMANCE IMPLICATIONS**

**ADMINISTRATIVE IMPLICATIONS**

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

**TECHNICAL ISSUES**

**OTHER SUBSTANTIVE ISSUES**

**ALTERNATIVES**

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

**AMENDMENTS**