

BILL ANALYSIS AND FISCAL IMPACT REPORT
Taxation and Revenue Department

March 11, 2025

Bill: SB-520

Sponsor: Senator Martin Hickey

Short Title: Dental & Vision Only Contracts

Description: This bill amends Section 7-40-3 NMSA 1978 to exclude dental and vision only contracts from the insurance premium tax.

Effective Date: January 1, 2026

Taxation and Revenue Department Analyst: Pedro Clavijo

Estimated Revenue Impact*					R or NR**	Fund(s) Affected
FY2025	FY2026	FY2027	FY2028	FY2029		
--	(Unknown but likely minimal negative, see narrative)				R	Health Care Affordability Fund
--	(Unknown but likely minimal negative, see narrative)				R	General Fund

* In thousands of dollars. Parentheses () indicate a revenue loss. ** Recurring (R) or Non-Recurring (NR).

Methodology for Estimated Revenue Impact: This bill adds a clarifying amendment to exclude nonprofit dental and vision only contracts from the premium tax. Under current law, individual vision-only and dental-only plans are excluded, but not plans that cover both.

Policy Issues: None.

Technical Issues: None.

Other Issues: None.

Administrative & Compliance Impact: Tax & Rev will need to update forms, instructions, and publications and make information system changes.