

LFC Requester:

Ismael Torres

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 3/22/2025

Check all that apply:

Bill Number: HB14

Original ☐

Correction ☐

Amendment ☐

Substitute ☒

Sponsor: Rep. Javier Martinez and Rep
Derrick J. Lente

**Agency Name and
Code Number:** 305 – New Mexico
Department of Justice

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

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

SECTION III: NARRATIVE

This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator's request. The analysis does not represent any official policy or legal position of the NM Department of Justice.

BILL SUMMARY

Synopsis:

The House Taxation and Revenue committee Substitute for HB 14 changes the proposed bill from one that created an oil and gas surtax and taxation on various other oil and gas products, and instead creates the volunteer emergency medical services income tax credit as well as several other income tax credits for individuals such as firefighters, search and rescue, journalists, etc.

The first section deletes all of the material related to oil and gas taxes. The second section of the substitute adds a new section to the Income Tax Act, "Volunteer Emergency Medical Services Income Tax Credit," and delineates the criteria for the tax credit.

The Substitute adds a new section to the Income Tax Act, "Volunteer Firefighter Income Tax Credit," and delineates the criteria for the tax credit.

The Substitute adds a new section to the Income Tax Act, "Volunteer Search and Rescue Income Tax Credit," and delineates the criteria for the tax credit.

The Substitute adds a new section to the Income Tax Act, "Local Journalists Employment Income Tax Credit," and delineates the criteria for the tax credit.

The Substitute adds a new section to the Income Tax Act, "Local Journalists Employment Corporate Income Tax Credit," and delineates the criteria for the tax credit.

The Substitute adds a new section to the Income Tax Act, "Local News Printer Income Tax Credit," and delineates the criteria for the tax credit.

The Substitute adds a new section to the Corporate Income and Franchise Tax Act, "Local New Printer Corporate Income Tax Credit," and delineates the criteria for the tax credit.

The Substitute adds a new section to the Income Tax Act, "Foster Parent and Guardian Income Tax Credit," and delineates the criteria for the tax credit.

The Substitute adds a new section to the Income Tax Act, "Quantum Facility Infrastructure Income Tax Credit," and delineates the criteria for the tax credit.

The Substitute adds a new section to the Corporate Income and Franchise Tax Act, “Quantum Facility Infrastructure Corporate Income Tax Credit,” and delineates the criteria for the tax credit.

The substitute amends Section 7-9-93 of the Tax Act regarding deductions for health care practitioners or association of health care practitioners by deleting subsection E requiring an annual report and adding language that a deduction pursuant to this section is included in the tax expenditure pursuant to Section 7-1-84.

The substitute amends section 7-1-6.38 by adding subsection C prosing a distribution shall be made to the university school of medicine fund.

The substitute adds a new section “Deposits to University School of Medicine Fund as well as a new section University School of Medicine Fund.

The substitute amends Section 7-17-5 changing the rate of Liquor excise taxes.

The Substitution adds a new section to the Gaming Control Act entitled “Exemption - Licensees Operating in a Declared Disaster Area”

The Substitute deletes the applicability provisions and the effective date provisions.

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

As the request for analysis was received at 11:05am on the last day of the session there wasn’t sufficient time to determine if there were any issues with the 73 page substitute bill including whether or not there were potential issues with the Anti-Donation Clause.

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