

RENEWABLE ENERGY

When it comes to innovation and energy, New Mexico is leading the charge. New Mexico has long been an energy industry powerhouse, and our role in today's renewable energy is no exception. New Mexico's critical role in coal, oil and natural gas continues, but today we are proud to also be at the forefront of renewable energy industries including wind, geothermal, and solar. New Mexico boasts a logistic advantage having access to prime southwest U.S. markets with high solar resources. The State also has a strong concentration of solar industry manufacturers and solar energy producers. In addition, we are home to world class educational and scientific institutions that provide access to cutting edge R&D. Energy has been a key focus of these institutions, and they actively pursue collaboration with industry partners.

Available high-quality talent, competitive operating costs, and favorable tax policy are all attracting manufacturing companies to New Mexico. New Mexico has a long tradition as a manufacturing hub, and this means we have the kind of talent pool necessary; there are over 26,000 workers employed in production occupations.

Across New Mexico, we have over

133,000

students enrolled in our public higher education institutions.



This is almost **7%** of the state's entire population.



Almost **40,000** of these are full-time students enrolled in our top-tier research universities.

SINCE THE 1930's, NEW MEXICO HAS BEEN A WORLD LEADER IN SCIENTIFIC RESEARCH AND ENERGY DEVELOPMENT

The state is home to two Department of Energy National Labs, as well as other R&D facilities, and three nationally-recognized research universities. The state is ranked first by the 2017 State New Economy Index in non-industry investment in research and development, far exceeding any other state in non-industry research and development at eight times the national average. New Mexico is also second in high-tech jobs, providing unparalleled capacity for research collaboration and technology commercialization in many areas that contribute to advanced manufacturing.

New Mexico was also rated in the top 10 for innovation capacity, a category which factors in share of jobs in high-tech industries, the share of workers who are scientists and engineers, the number of patents issued to companies and individuals, industry R&D as a share of Gross State Product (GSP), non-industrial R&D as a share of GSP, clean energy consumption, venture capital invested as a share of GSP.

MAJOR EDUCATIONAL INSTITUTIONS



Higher education is a priority in New Mexico. The state is home to three major research universities, four comprehensive four-year institutions, seven independent community colleges, three cooperative education sites and many specialized learning facilities, totaling 50 locations statewide.

RESEARCH INSTITUTIONS



New Mexico has been at the center of research for decades. Our research institutions are among the top in the world. New Mexico provides virtually unmatched opportunity for business and industry to collaborate with world class scientific and research institutions; and this has been a foundation of our innovation ecosystem in the state.

INCENTIVES

22%

22% reduction in Corporate Income Tax
(across the board tax cut for all industries)



Enacted optional **Single Weighted Sales Factor** for headquarters and manufacturing operations
(dramatically lowers corporate income tax rate)



Eliminated gross receipts taxes on manufacturing consumables *(i.e., electricity and industrial gases, repair parts and spares)*



Among the lowest property taxes in the nation



Zero Inventory Tax



LOCAL ECONOMIC DEVELOPMENT ACT (LEDA):

Discretionary state incentive that can be used toward land, building or infrastructure. Funding awards are determined on a project-by-project basis.

JOB TRAINING INCENTIVE PROGRAM (JTIP):

JTIP funds on-the-job and classroom training for expanding or relocating businesses for up to 6 months. JTIP provides cash reimbursement of 50-75% of wages.

INDUSTRIAL REVENUE BOND (IRB):

IRBs allow for significant real and personal property tax and compensating tax abatements. Terms vary by community/project.

ALTERNATIVE ENERGY PRODUCT MANUFACTURERS TAX CREDIT

Manufacturers of certain alternative energy products may receive a tax credit for purchase of manufacturing equipment.

BIODIESEL BLENDING FACILITY TAX CREDIT

Certified biodiesel fuel blending facilities are eligible to claim a credit against gross receipts tax or compensating tax.

HIGH WAGE JOBS TAX CREDIT (HWJTC):

Refundable credit tax credits equal to 10% of salary for employees earning \$40K+ (rural areas) or \$60K+ (in urban communities). Credit may be taken for four years.