

# New Mexico: A Pro-Business State

New Mexico has proactively worked to maintain a pro-business environment with competitive advantages and an aggressive incentive toolkit. These advantages help to foster jobs creation and investment and are designed to be an ongoing benefit that rewards companies for future expansions.

**New Mexico was ranked in the top 10 for customized workforce training in 2022\***



## Business Climate Ideal for Growth

<b>22%</b> 	reduction in corporate income tax across all industries
<b>Single Weighted Sales Factor</b> 	lowers corporate income tax rates for headquarters & manufacturing operations
<b>0 Gross Receipts Taxes</b>	on manufacturing consumables (electricity, industrial gases, repair parts)
<b>ZERO</b> 	state inventory tax in New Mexico



\*According to Business Facilities' "18th Annual Rankings Report: State Rankings"



# A Comprehensive Incentive Toolkit

The state of New Mexico and its communities throughout offer aggressive incentives to both new and existing employers, designed to be an ongoing benefit that encourages future growth and expansions.

**Job Training Incentive Program (JTIP):** Reimburses 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.

**Local Economic Development Act (LEDA):** Discretionary state incentive that can be used toward the reimbursement of land, building or infrastructure costs. Funding is determined on a project-by-project basis.

**High Wage Jobs Tax Credit (HWJTC):** Refundable tax credits equal to 8.5% of salary for employees earning \$40K+ (rural areas) or \$60K+ (in urban communities). Credit may be taken for 4 years.

**Industrial Revenue Bond (IRB):** Allow for significant real and personal property tax and compensating tax abatements. Terms vary by community/project.

**Rural Jobs Tax Credit:** Can be applied to taxes due on (state) gross receipts, corporate income, or personal income tax.

**Manufacturer's Investment Tax Credit:** A tax credit of 5.125% of the value of qualified equipment applied against compensating or gross receipts tax.

**Technology Jobs and R&D Tax Credit:** A tax credit of 5% of qualified R&D expenditures for businesses under 50 employees with qualified expenditures under \$5 million.

**Film and Media Tax Credit:** A 25% refundable tax credit, with an extra 5-10% dependent on qualifying factors with a max of 35%, on all direct production and postproduction expenditures, including New Mexico crew, that are subject to taxation by the State of New Mexico.

New Mexico also has a suite of industry-specific incentives available based on the project.

## Contact Us



The New Mexico Economic Development Department (NMEDD) and the New Mexico Partnership are partners in economic development, working together to foster New Mexico's growth. The New Mexico Partnership acts as the state's designated single-point-of-contact to help businesses locate in New Mexico. We offer a coordinated approach and offer expertise on everything from talent to critical infrastructure to R&D resources and all the other factors that go into a business location decision.

