

<b>LFC Requester:</b>	
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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO  
[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.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 Prepared:** 2025-02-07  
**Bill No:** SB304

**Sponsor(s)** Nicole Tobiassen  
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**Agency Name and Code Number:** CYFD 69000  
**Person Writing Analysis:** Aaron Salas  
**Phone:** 5055493411

**Short Title:** FOSTER CARE ORGANIZATION TAX CREDIT

**Email:** Aaron.salas@cyfd.nm.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

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**ESTIMATED ADDITIONAL OPERATION BUDGET (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>						

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

**SECTION III: NARRATIVE**

**BILL SUMMARY**

This bill, if enacted, proposes a tax credit for NM residents who make a contribution to a qualifying foster care organization. Under this bill a NM resident who meets this qualification may claim a credit against their tax liability imposed pursuant to the Income Tax Act effective 1/1/25.

The bill defines the following:

- \* The amount of the credit shall be in an amount equal to:
- \* for single individuals, married individuals filing separate returns, heads of household and surviving spouses, five hundred dollars (\$500)
- \* for married individuals filing joint returns, one thousand dollars (\$1,000)
- \* a taxpayer shall provide to the department the name of the qualifying foster care organization to which a contribution is made and the amount of contribution made.
- \* The foster care organizations need to:
- \* provide verification of the services they provide and the funding they spend on qualified individuals and
- \* provide foster care services to at least two hundred qualified individuals in New Mexico and
- \* spend at least fifty percent of its budget on foster care services to qualified individuals in New Mexico.
- \* Qualified individuals are defined as:
- \* a foster child. a child in the custody of the children, youth and families department or a child placement agency that may be placed with a person licensed or certified by that department or agency to provide care for the child.
- \* a participant in the fostering connections program pursuant to the Fostering Connections Act.
- \* a person who is under twenty-seven years of age and whose reason for leaving foster care in reaching eighteen years of age; adoption or legal

guardianship after reaching fifteen years of age; or reunification after reaching fourteen years of age."

### **FISCAL IMPLICATIONS**

No Fiscal impact for CYFD as this is based on contributions made by NM residents to agencies that provide services to qualified individuals defined in this bill.

### **SIGNIFICANT ISSUES**

None identified as the process is independent of CYFD processes.

The bill does not identify or define who "the department" is in this bill.

### **PERFORMANCE IMPLICATIONS**

None

identified.

### **ADMINISTRATIVE IMPLICATIONS**

None identified.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None.

### **TECHNICAL ISSUES**

None identified.

### **OTHER SUBSTANTIVE ISSUES**

None identified.

### **ALTERNATIVES**

None.

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

None, status quo.

### **AMENDMENTS**

None.