

**NMDOT BILL ANALYSIS  
2025 REGULAR SESSION**

*{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}*

**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** \_\_\_\_\_ **Date Prepared:** 2/2/2025  
**Correction** \_\_\_\_\_ **Substitute** \_\_\_\_\_ **Bill No.** SB 28

**Sponsor:** Pat Woods **Agency/ Code:** NMDOT - 805 - Revenue & Planning  
**Short Title** Corporate Income Tax to State Road Fund **Person Writing Analysis:** Kwaku Boakye  
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**SECTION II: FISCAL IMPACT**

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
709,800	730,700	741,200	Recurring	State Road Fund
(709,800)	(730,700)	(741,200)	Recurring	General Fund
<b>0</b>	<b>0</b>	<b>0</b>	<b>Recurring</b>	<b>Total Impact</b>

(Parenthesis ( ) Indicate Expenditure Decreases)  
 Duplicates, Relates to, Conflicts with, Companion to:

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Senate Bill 28 (SB 28) redirects Corporate Income Tax (CIT) to the State Road Fund to bolster transportation infrastructure and redirects CIT distributions from the General Fund to the State Road Fund.

## **FISCAL IMPLICATIONS**

SB 28 would distribute to the State Road Fund an amount of \$710 million in FY 2026, and an additional \$730 - \$741 million in FY 2027 onwards, making CIT distribution the largest revenue source for the State Road Fund and likely to double the annual State Road Fund receipts.

However, the State General Fund revenue would be reduced by \$710 million in FY 2026, and by about \$730 - \$741 million, in each of the following fiscal years.

This revenue estimate is based on the December 2024 Consensus Revenue Estimating Group's General Fund Forecast.

## **SIGNIFICANT ISSUES**

None identified.

## **PERFORMANCE IMPLICATIONS**

Indeterminate.

## **ADMINISTRATIVE IMPLICATIONS**

Revenue Planning Bureau will need to begin tracking and forecasting CIT receipts. Other administrative implications are indeterminate.

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

None identified.

## **TECHNICAL ISSUES**

None identified.

## **OTHER SUBSTANTIVE ISSUES**

None identified.

## **ALTERNATIVES**

None identified.

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

CIT distributions will remain at their current distributions to the General Fund.

## **AMENDMENTS**

None suggested.