



RE: HB 291 Tax Changes – NMBC Opposes

Chair and Members of the Committee

The New Mexico Business Coalition represents hundreds of businesses and thousands of employees, and we oppose HB 291.

While presented as an administrative tax package, this bill makes several substantive policy changes that expand taxes, increase government collection authority, and redirect taxpayer dollars—despite New Mexico experiencing multiple years of billion-dollar budget surpluses.

HB 291 expands and locks in higher taxes on closed-system vaping products, a targeted consumption tax that disproportionately impacts working families and small retailers. It also strengthens property-tax enforcement by allowing excess auction proceeds to be applied to other tax debts, reducing taxpayer protections, and increasing effective collections without a transparent rate increase.

The bill further authorizes the payment of attorney fees and collection costs from tax revenue distributions. This diverts taxpayer dollars away from public services and creates incentives for aggressive enforcement funded by the very taxpayers subject to it.

In addition, HB 291 expands refundable film production tax credits, committing future taxpayers to millions in direct cash payouts while offering no comparable broad-based tax relief to families or small businesses.

At a time when the state is flush with surplus revenues, the Legislature should focus on tax relief, simplification, and affordability—not on expanding taxes, fees, or enforcement mechanisms.

For these reasons, I respectfully urge you to vote **NO on HB 291**.

Thank you for your thoughtful consideration.

Carla J. Sonntag
President and CEO