

*Money for Something: Job Creation and Job Quality Standards in
State Economic Development Subsidy Programs*

www.goodjobsfirst.org/moneyforsomething

New Mexico Appendix

Key Subsidy Programs

| Program | Annual Cost | Performance & Job Quality Score* |
|---|---------------------|----------------------------------|
| Film Tax Credit - a 25% tax rebate on all direct production and post-production expenditures | \$65,900,000 (2010) | 13/100 |
| High Wage Jobs Tax Credit - refundable credits worth 10% of wages and benefits for new jobs that meet minimum salary requirements; credits may be applied against the state portion of gross receipts tax, compensating tax and withholding tax | \$4,600,000 (2010) | 40/100 |
| Industrial Revenue Bonds - controversial taxable bonds used as a vehicle for providing large property tax abatements for major industrial employers | not available | 55/100 |
| Manufacturer's Investment Tax Credit - credit against up to 85% of gross receipts taxes and payroll withholding taxes equal to 5% of the value of certain industrial equipment | \$7,000,000 (2011) | 25/100 |
| Tax Increment Development Districts - state-designated zones in which state gross receipts tax and local property tax revenues are diverted to subsidize development expenses | not available | 0/100 |
| Average Performance/Job Quality Scores for All Programs | | 27/100 |

*See next page for scoring details

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| Money For Something. Scoring Details for New Mexico Programs | | <i>Maximum possible score for category</i> | <i>Film Tax Credit</i> | <i>High Wage Jobs Tax Credit</i> | <i>Industrial Revenue Bonds</i> | <i>Manufacturer's Investment Tax Credit</i> | <i>Tax Increment Development Districts</i> |
|---|--|--|------------------------|----------------------------------|---------------------------------|---|--|
| Performance requirements | Job creation, job retention or training requirement (15 pts) Only investment and/or qualified expenditures requirements (10 pts) No performance requirements (0 pts) | 15 | 10 | 15 | 15 | 15 | 0 |
| | Rule on shifting jobs from an existing facility (10 pts) | 10 | 0 | 0 | 0 | 0 | 0 |
| | Duration requirement regarding jobs/facility (10pts) | 10 | 0 | 0 | 10 | 10 | 0 |
| Wage requirements | Market-based wage requirement (35 pts) Non-market based wage requirement (25 pts) No wage requirement (0 pts) | 35 | 0 | 25 | 0 | 0 | 0 |
| Healthcare requirements | Healthcare with employer premium obligation (30 pts) Healthcare without employer premium obligation (10 pts) No healthcare requirement (0 pts) | 30 | 0 | 0 | 30 | 0 | 0 |
| Total before extra credit | | 100 | 10 | 40 | 55 | 25 | 0 |
| Extra credit categories | Has a wage requirement equal to at least 105% of average wage for the state, local area or industry sector (6 pts) | 6 | 0 | 0 | 0 | 0 | 0 |
| | Has one other benefit required beyond healthcare (5 pts); more than one other (10 pts) | 10 | 0 | 0 | 0 | 0 | 0 |
| | Wage or benefit requirements apply to part-time, temporary or contract workers, or employees of tenants in subsidized facilities (3 pts) | 3 | 0 | 0 | 0 | 0 | 0 |
| | Geographic hiring requirement (3 pts) | 3 | 3 | 0 | 0 | 0 | 0 |
| | Requirement regarding respect for labor rights (3pts) | 3 | 0 | 0 | 0 | 0 | 0 |
| Total extra credit | | 25 | 3 | 0 | 0 | 0 | 0 |
| TOTAL AFTER EXTRA CREDIT | | 125 | 13 | 40 | 55 | 25 | 0 |

For details on the program see Appendix 3 and Appendix 4 in www.goodjobsfirst.org/moneyforsomething.