

**PROGRAM:** New Mexico Rural Jobs Tax Credit **Top Incentive**

**AGENCY:** Taxation and Revenue Department

**DESCRIPTION:** Employers in rural areas will be entitled to a tax credit when expanding their work force.

**PROGRAM/LOAN STRUCTURE:**

- The Economic Development Department will determine which employers are eligible and will report the listing to the taxation and revenue department.
- Maximum Program Benefits:
  - Modified combined, personal or corporate income tax credit.
  - The maximum credit is \$4,000 (25% of the first \$16,000 in wages paid for the qualifying job) per job created in Tier One (population of 15,000 or less); and
  - The maximum credit is \$2,000 (12.5% of the first \$16,000 in wages paid for the qualifying job) per job created in Tier Two (population over 15,000, but still considered rural).

**QUALIFICATION CRITERIA/COMMENTS:**

- A job established by the employer that is occupied by an eligible employee for at least forty eight weeks of a qualifying period.
- The period of twelve months beginning on the day an eligible employee begins working in a qualifying job or the period of twelve months beginning on the anniversary of the day an eligible employee began working in a qualifying job.
- Legislation specifies that a company must have been awarded Job Training Incentive Program (JTIP) funds to qualify for the tax credit, but specific jobs within a company do not have to meet JTIP requirements.
- The credit may be carried forward for up to three years and may be sold, exchanged or transferred.
- **See 7-2E-1 NMSA**
- Visit the Taxation and Revenue Department homepage at <http://www.state.nm.us/tax/home.htm> or find paperwork and applications at <http://www.state.nm.us/tax/BizPge.htm> .
- Call the office of the Secretary at (505)827-0341.