



Office of the Governor

MICHELLE LUJAN GRISHAM

Quantum Facility Infrastructure Tax Credit

Senate Bill 211

Sponsors: Sen. Padilla, Sen. Soules, Rep. Dixon, Rep. Hernandez, & Rep. Garratt

OVERVIEW

Senate Bill 211 establishes two new tax credits—the quantum facility infrastructure income tax credit for individuals and the quantum facility infrastructure corporate income tax credit for corporations—to support and increase investment in quantum technology infrastructure.

HOW IT WORKS

Taxpayers who invest at least \$3 million in qualified expenditures, such as land, rent, buildings, and infrastructure for quantum facilities, can receive a tax credit worth 30 percent of their investment, up to \$50 million per facility. The total lifetime statewide cap for these credits is \$75 million, increasing to \$150 million if New Mexico receives a National Science Foundation award for quantum technologies.

WHY NOW?

SB211 will support the growth of the quantum technologies industry in New Mexico by incentivizing the development of quantum technology facilities in the state, leading to job creation, overall economic impact, and the growth of the tax base.

Both across the country and around the world, the quantum technologies industry is growing rapidly, with large amounts of new investment leading to growth and requiring the expansion of physical facilities and the creation of new jobs. By providing a refundable tax credit on related capital expenditures for quantum companies that relocate to or expand in the state, New Mexico will offer a financial incentive that ensures this growth takes place within the state.

New Mexico is currently in the running for an NSF Regional Innovation Engines Award in quantum technologies – should that be awarded, additional quantum technology industry will look to be involved in the federally-funded work being done in the state, creating additional potential users of the expanded credit amount and enabling additional economic growth in the state.

SB211 pairs with SB 212, which provides a state match to the national labs to receive tens of millions of dollars of federal funding for quantum technology evaluation work that will be a unique and valuable draw for further industry presence and activity in the state. Together, the two bills will grow the quantum technologies industry in New Mexico and advance economic development and job creation in this rapidly growing industry of the future.

FACTS AND FIGURES

- 30% tax credit on capital expenditures for quantum technology facilities
- Tax credit of up to \$50 million per facility
- Total lifetime credit cap of \$75 million – increases to \$150 million if the state wins a federal NSF award for quantum technology development
- Quantum technologies industry has projected annual global economic impact of \$3.5 trillion