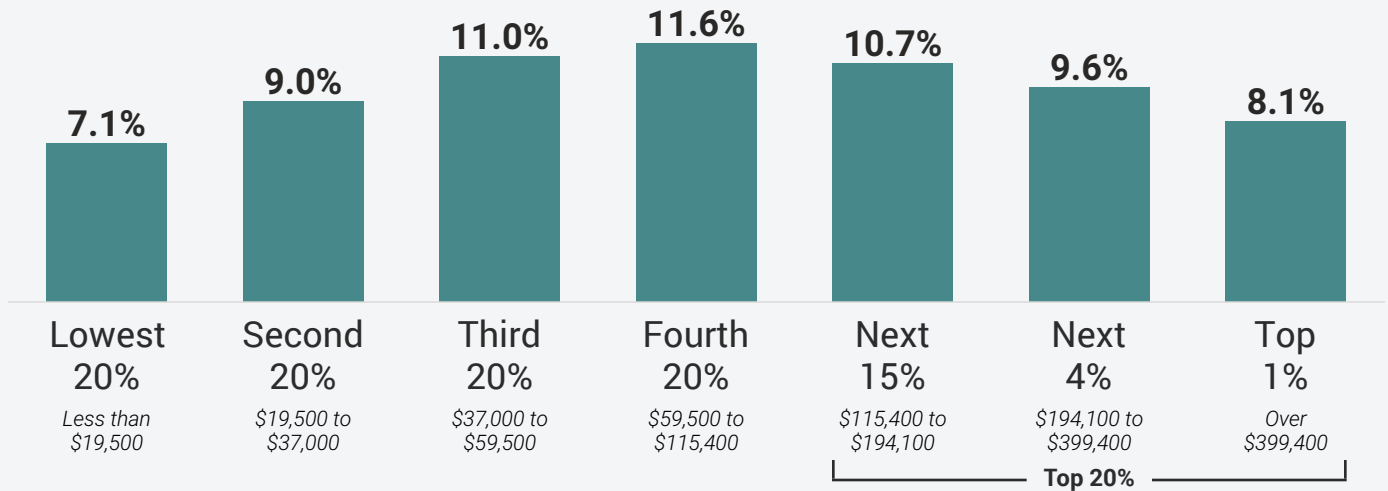


New Mexico

State and local tax shares of family income

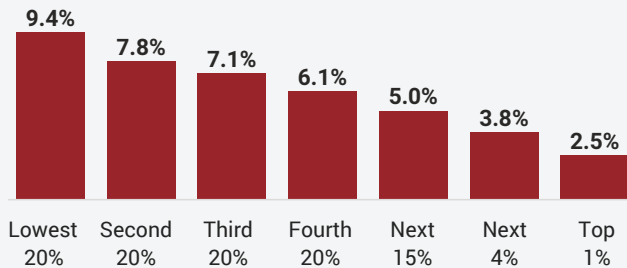
Total Taxes

Share of family income



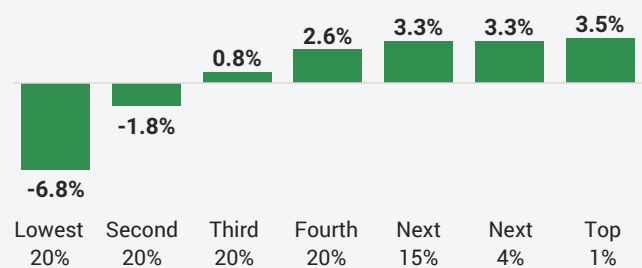
Sales & Excise Taxes

Share of family income



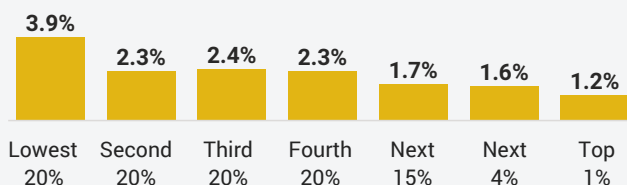
Personal Income Taxes

Share of family income



Property Taxes

Share of family income








Note: All figures and charts show 2024 tax law in New Mexico, presented at 2023 income levels. Senior taxpayers are excluded for reasons detailed in the methodology. Our analysis includes nearly all (99.6 percent) state and local tax revenue collected in New Mexico. As seen in Appendix D, recent tax policy changes have significantly lessened the regressive tilt of New Mexico's tax system. Overall tax rates on the top 1 percent rose by 0.2 percentage points because of these changes while tax rates for the bottom fifth fell by 5.1 percentage points. These changes caused the state to move 18 spots in the ITEP Inequality Index rankings, from 25th to 43rd most regressive.

New Mexico

State and local tax (cont.)

Individual figures may not sum to totals due to rounding.

Income Group	Top 20%						
	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income Range	Less than \$19,500	\$19,500 to \$37,000	\$37,000 to \$59,500	\$59,500 to \$115,400	\$115,400 to \$194,100	\$194,100 to \$399,400	Over \$399,400
Average Income in Group	\$10,200	\$27,100	\$47,300	\$81,900	\$143,900	\$257,900	\$648,700
 Sales & Excise Taxes	9.4%	7.8%	7.1%	6.1%	5.0%	3.8%	2.5%
General Sales—Individuals	3.7%	3.4%	3.1%	2.7%	2.1%	1.5%	0.8%
Other Sales & Excise—Ind.	2.5%	1.5%	1.3%	1.0%	0.7%	0.5%	0.3%
Sales & Excise—Business	3.1%	2.9%	2.7%	2.4%	2.1%	1.8%	1.4%
 Property Taxes	3.9%	2.3%	2.4%	2.3%	1.7%	1.6%	1.2%
Home, Rent, Car—Individuals	3.5%	2.0%	2.0%	2.0%	1.3%	1.2%	0.6%
Other Property Taxes	0.3%	0.4%	0.4%	0.3%	0.4%	0.4%	0.5%
 Income Taxes	-6.7%	-1.7%	0.9%	2.7%	3.3%	3.3%	3.6%
Personal Income Taxes	-6.8%	-1.8%	0.8%	2.6%	3.3%	3.3%	3.5%
Corporate Income Taxes	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
 Other Taxes	0.6%	0.6%	0.6%	0.5%	0.7%	0.7%	0.9%
 TOTAL TAXES	7.1%	9.0%	11.0%	11.6%	10.7%	9.6%	8.1%

ITEP Tax Inequality Index

New Mexico has a hybrid system that is progressive through the bottom part of the income distribution and regressive through the top part. On balance, the overall system tilts regressive because high-income families pay lower tax rates than most groups. **According to ITEP's Tax Inequality Index, New Mexico has the 43rd most regressive state and local tax system in the country**, meaning that seven states and the District of Columbia have more progressive systems. Income disparities between high-income taxpayers and most other families are larger in New Mexico after state and local taxes are collected than before. (See Appendix B for state-by-state rankings and the report methodology for additional detail.)

Tax features driving the data in New Mexico

