

2012 Briefing: Revenue Stabilization & Tax Policy Committee

Legislation - A True Partnership

- Laboratory Partnership with Small Business Tax Credit Act - *"It is the purpose of the Act to bring the technology and expertise of the national laboratories to small businesses in New Mexico to promote economic development in the state, with emphasis on rural areas."*
- NMSBA is a catalyst for the transfer of cutting-edge technology from two of our nation's leading national laboratories to address a wide range of small business needs across New Mexico.
- This is a great partnership with state of New Mexico, Los Alamos National Laboratory, Sandia National Laboratories, and small businesses to strengthen the economy of New Mexico.
- The Act provides:
 - Up to \$2.4M in tax credit per lab annually to solve problems for small businesses in New Mexico
 - \$20,000 per business annually to help companies in rural counties
 - \$10,000 per business annually to help companies located in urban counties (Bernalillo)

Accountability & Transparency

- The Taxation and Revenue Department is the administrator of the NMSBA Program.
- Language in the Act requires us to consult with the Secretary of Economic Development to seek advice on improvements in the operation of the NMSBA Program.
- Each year, we submit an Annual Report to the Taxation and Revenue Department, the Economic Development Department, and appropriate legislative committees, typically the Revenue Stabilization and Tax Policy Committee and/or the Economic and Rural Development Committee.
- Surveys
 - Economic Impact: third-party survey and collection of data, followed by a third-party performing economic impact analyses
 - Customer Satisfaction: third-party survey and collection of data

Strategies

- Concentrate on solving small business needs while balancing economic impact of projects
- Align programmatic objectives with legislative intent, with the State's economic development strategies, and with the two laboratories' technology transfer and commercialization objectives.

LANL/SNL Joint Program Impact

- Assistance Provided (2000 – 2011)
 - 1876 small businesses assisted – 65% in rural New Mexico
 - \$29.8M of assistance provided to small businesses
 - 33 counties throughout NM served
- Economic Impact (2000 – 2011)
 - 2874 jobs created/retained
 - \$145.2M increase in revenue
 - \$72.6M decrease in operating costs
 - \$43.3M investment in NM goods and services
 - \$52.3M new funding or financing
- **Projected Results (2012)**
 - 310 to 340 small businesses assisted
 - \$4.2M to \$4.6M of assistance provided to small businesses
 - 25 to 27 counties throughout NM served



Sandia National Laboratories is a multi-program laboratory managed and operated by Sandia Corporation, a wholly owned subsidiary of Lockheed Martin Corporation, for the U.S. Department of Energy's National Nuclear Security Administration under contract DE-AC04-94AL85000. SAND#