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Taxation and Revenue Department budget emphasizes public service priorities

SANTA FE — The New Mexico Taxation and Revenue Department is asking state lawmakers to approve a \$142 million budget request for fiscal year 2027 that holds overall spending flat while prioritizing technical upgrades to improve customer service and public safety.

Cabinet Secretary Stephanie Schardin Clarke will present the department's Fiscal Year 2027 budget request to the Legislative Finance Committee on Monday, Dec. 8.

The executive budget recommendation includes a \$94 million request from the General Fund, a 5.5% increase from fiscal year 2026, and \$48 million from federal and other state revenue resources, a 6.4% decrease from fiscal year 2026 — resulting in a flat budget request overall.

"Taxation and Revenue is a complex department that delivers many critical public services," said **Taxation and Revenue Department Secretary Stephanie Schardin Clarke**. "This budget request continues to ensure the department is equipped to deliver the highest standard of public service and to secure sensitive data."

Priorities in the budget include:

- \$5 million to implement changes to the tax and motor vehicle code and changes required by federal actions.
- \$4 million to support a mandatory national transition of technical services that the Motor Vehicle Division uses to help prevent identity and vehicle fraud, enhance public safety, and prevent human trafficking.
- \$2.8 million to replace 13-year-old homegrown imaging and data capture software, leading to more efficient operations and fewer manual errors.

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The Taxation and Revenue Department serves the State of New Mexico by providing fair and efficient tax and motor vehicle services. It administers more than 38 tax programs and distributes revenue to the State and to local and tribal governments throughout New Mexico.

The Department strives to reduce taxpayer burden through clearer communication, statutes, regulations, forms, correspondence and instructions.

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