



## **Media Contacts:**

Megan Gleason  
Taxation and Revenue Department  
[megan.gleason@tax.nm.gov](mailto:megan.gleason@tax.nm.gov)  
(505) 231-3801

Kristine Bustos-Mihelcic  
New Mexico Department of Transportation  
[Kristine.mihelcic@dot.nm.gov](mailto:Kristine.mihelcic@dot.nm.gov)

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## **Vehicle registration fees, weight-distance tax to increase July 1** *\$70M in generated revenue to go toward essential road maintenance*

SANTA FE — Vehicle registration fees and weight-distance taxes will slightly increase July 1, marking the first adjustment to either rate in more than two decades as New Mexico works to generate revenue for critical road improvements.

An estimated \$70 million will go to the State Road Fund as a result, allowing the state to invest in road maintenance. More than half of New Mexico's roads require maintenance, costing drivers more than \$1,000 a year in repairs and wasted fuel.

Beginning July 1, passenger vehicle registration fees will increase by 25%, and the weight-distance tax will increase by 35%. Current passenger vehicle registration fees — which don't affect off-highway vehicles, trucks, RVs, motorcycles or buses — range from \$21 to \$56 per year; the fees will range from approximately \$26 to \$70 per year under the increase.

New Mexico has not raised rates since 2004 and currently ranks among the lowest in the nation with its flat vehicle registration costs. Since New Mexico's fees were last adjusted in 2004, inflation has averaged over 75% nationwide, according to the U.S. Bureau of Labor Statistics.

“New Mexico is one of the few states in the nation that hasn't increased passenger vehicle registration in fees in decades. Now, we're strategically increasing tax revenue to improve road conditions around the state, something all New Mexicans will benefit from,” said **Taxation and Revenue Secretary Stephanie Schardin Clarke**.

The revenue going to the Road Fund will support the New Mexico Department of Transportation's maintenance of the state's transportation system. Unlike most state agencies, NMDOT doesn't have recurring general fund appropriations and relies on the State Road Fund to invest in infrastructure.

"New Mexicans aren't shy when it comes to talking about roads and we get it. After decades of underfunding, we're finally making the kind of sustained investment our communities deserve. This revenue will help us take care of the roads people rely on every day," said **Acting NMDOT Cabinet Secretary David D. Quintana, P.E.** "We won't catch up immediately, but we will start to make steady progress."

MVD customers can get 5% off their vehicle registration fees by renewing [online](#).

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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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