

NOTICE OF PUBLIC HEARING AND RULEMAKING

The State of New Mexico, Energy, Minerals and Natural Resources Department (EMNRD) hereby gives notice of the following proposed rulemaking. The proposed rulemaking aims to repeal and replace existing regulations for both personal and corporate income tax credits.

3.3.32 NMAC Geothermal Ground Coupled Heat Pump Personal Income Tax Credit, 7-2A-24 NMSA

3.4.19 NMAC, Geothermal Ground Coupled Heat Pump Corporate Income Tax Credit, 7-2-18.24 NMSA

Purpose of Rule.

The Geothermal Ground-Coupled Heat Pump Income Tax Credit was enacted in 2024 to encourage New Mexico taxpayers to install high-efficiency ground-coupled heat pumps in their residences, businesses, or agricultural enterprises. EMNRD aims to repeal the existing rule and replace it with a new version that aligns with recent legislative amendments. This process ensures that the rule remains compliant with updated policies and simplifies the application requirements for both applicants and EMNRD.

The objective of Geothermal Ground Coupled Heat Pump Income Tax Credit, 3.3.32 NMAC, and 3.4.19 NMAC, is to establish procedures for administering the certification program for the geothermal ground-coupled heat pump income tax credit, including proposing application requirements meant to simplify and streamline the process for both applicants and EMNRD.

Legal Authority: EMNRD proposes the rules under the authority of the Income Tax Act, NMSA 1978, Section 7-2A-24 and Corporate Income Tax Act, Section 7-2-18.24

The full text of the proposed rule is available from the EMNRD, Energy Conservation and Management Division at the website: <https://www.emnrd.nm.gov/ecmd/ecmd-public-notice/>, or by contacting Claudette Montoya at ClaudetteR.Montoya1@emnrd.nm.gov or emailing EMNRD.taxcredits@emnrd.nm.gov.

Public Hearing and Comment.

EMNRD will hold an in-person / virtual public hearing on the proposed rules scheduled at 10:00am on August 12, 2025, where stakeholders can provide feedback on the proposed changes. If you're interested in attending or submitting comments the public may attend in person at the EMNRD Wendell Chino Building, Pecos Hall, 1220 S. Saint Francis Drive, Santa Fe, NM 87505. The public may also join the hearing virtually through Microsoft Teams using one of the following:

Geothermal Ground Coupled Heat Pump Income Tax Credit, 2025 rule hearing

Event Link: to join the meeting:

[https://teams.microsoft.com/l/meetup-](https://teams.microsoft.com/l/meetup-join/19%3ameeting_NWMxMmEwODItMzRkMS00MGI0LTNmMDUyY2RkYTl5ZjUz%40thread.v2/0?context=%7b%22id%22%3a%2204aa6bf4-d436-426f-bfa4-04b7a70e60ff%22%2c%22oid%22%3a%227a2869ade8e9-4114-99d7-c4dafba0a50c%22%7d)

[join/19%3ameeting_NWMxMmEwODItMzRkMS00MGI0LTNmMDUyY2RkYTl5ZjUz%40thread.v2/0?context=%7b%22id%22%3a%2204aa6bf4-d436-426f-bfa4-04b7a70e60ff%22%2c%22oid%22%3a%227a2869ade8e9-4114-99d7-c4dafba0a50c%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_NWMxMmEwODItMzRkMS00MGI0LTNmMDUyY2RkYTl5ZjUz%40thread.v2/0?context=%7b%22id%22%3a%2204aa6bf4-d436-426f-bfa4-04b7a70e60ff%22%2c%22oid%22%3a%227a2869ade8e9-4114-99d7-c4dafba0a50c%22%7d)

Meeting ID: 219 564 370 995 7

Passcode: FZ3ae2QW

Comments made online or in person will be accepted.

Those wishing to comment on the proposed rule may make oral comments or submit written comments at the hearing, or may submit written comments by August 11, 2025, by 5:00 p.m. by mail or e-mail. Please mail written comments to Claudette Montoya, EMNRD – ECAM, 1220 S. Saint Francis Drive, Santa Fe, NM 87505 or submit them by e-mail to ClaudetteR.Montoya1@emnrd.nm.gov.