

NEW MEXICO | ALBUQUERQUE

Lowest Effective Tax Rate for Manufacturers in the Western United States



With exceptional talent, compelling incentives and a first class operating environment, the Albuquerque metro offers an unparalleled return on investment for expanding businesses. It is ranked 7th among Forbes' American Engineering Hubs, and 9th overall among mid-sized American Cities of the Future by FDI Intelligence.

Albuquerque Metro Area Quick Facts

- Population: 909,344
- Civilian Labor Force: 393,880
- 70,000 college students
- Foreign Trade Zone & U.S. Port of Entry
- Easy access to US markets, Mexico and Canada

Albuquerque is located in the heart of the Southwest, making it an ideal location for manufacturing and distribution operations serving customer bases throughout the U.S. and Mexico. Interstate 40 and Interstate 25 intersect in Albuquerque providing fast access in all directions. BNSF and Union Pacific are rail common freight carriers serving New Mexico.



Albuquerque's business environment was recently enhanced thanks to major changes at the State level. In 2013, an historic tax reduction package which included the adoption of an optional single sales factor for manufacturers, elimination of the throwback rule, and a 22% reduction in the corporate income tax rate to 5.9% was approved by the New Mexico Legislature. According to Ernst & Young, when fully implemented, these important measures in conjunction with various tax credits and the elimination of gross receipts tax on consumables used in the manufacturing process will result in New Mexico having the lowest effective tax rate (3.3%) for manufacturers among any of the following states in the Western United States: Arizona, California, Colorado, Nevada, Oklahoma, Oregon, Texas, and Utah.



The Albuquerque Metro's exceptional operating environment has helped attract businesses such as Intel, Sennheiser, Fraunhofer, Tempur-Pedic, General Mills, and Eclipse Aerospace. The area is also home to large public institutions that often partner with local business and industry, such as the University of New Mexico, Sandia National Laboratories and the Air Force Research Laboratory.

Aggressive business incentives reduce the overall cost of doing business. New Mexico's flagship Job Training Incentive Program provides a cash reimbursement for on-the-job and classroom training. Growing companies also benefit from the High Wage Jobs Tax Credit, a refundable credit equal to 10 percent of the salary plus benefits for four consecutive years. For capital intensive projects, Industrial Revenue Bonds offer significant real and personal property tax abatement.

Our young and talented workforce, low risk for natural disasters or bad weather, lower labor costs, low property taxes, low energy costs, high electric reliability and robust telecom help to provide an environment attractive to the most sophisticated of operations. All of this, in addition to a dramatically improved business climate at the state level, contributes to Albuquerque's reputation as an excellent city in which to invest.

Visit with Debra Inman to understand how our organization can serve as your advocate and point of contact providing confidential, free business assistance. We provide labor market analysis, operational cost comparisons, demographics, and identify incentives to help grow or expand your business in Albuquerque, New Mexico. Since 1960, AED has recruited over 200 companies. Let our experience work for you.

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Among Top States for Manufacturing & Kiplinger's Tax Friendly States