TAXATION & REVENUE
NEW MEXICO

2014 Tax Preparer's Guide

for

Income Tax Returns

March 24, 2015

A Guide for Tax Preparers, Electronic Return Originators, and Fed/State Transmitters

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Introduction

On January 1, 2015, the New Mexico Taxation and Revenue Department (TRD) begins the 2014 income tax filing season. This guide addresses issues specific to those who prepare New Mexico income tax returns. The advice in this guide is intended to help new and returning tax return preparers, Electronic Return Originators (EROs), and Fed/State transmitters file their clients' returns in the most efficient, cost-effective way possible.

What's New

This section summarizes the latest information about E-Filing through Fed/State filing, Taxpayer Access Point (TAP) and recent legislation.

NEW MEXICO EXPANDS ONLINE FILING OPTIONS TO INCLUDE BUSINESS INCOME TAXES

In 2014, New Mexico's Taxation and Revenue Department (NM TRD) began working with a limited set of third party tax preparation software developers to develop online filing for 2014 business income tax returns through the Federal/State filing program. You may now, file the following New Mexico business income tax forms online:
·   Corporate Income and Franchise Tax ,
·   Sub-Chapter S Corporate Income and Franchise Tax,
·   Pass-Through Entity Information Report, and
·   Form RPD-41367, Annual Withholding of Net Income from a Pass-Through Entity Detail Reports (PTW).

Processing the 2014 electronically filed business income tax returns is proceeding well, driving improved processing efficiency and reduced return handling time. NM TRD expects to expand the number of third-party software solutions certified for these new e-File programs in future tax years, as more and more taxpayers and tax practitioners enjoy the benefits of online filing.

Online filing for 2014 business income tax returns is not only available through third party software solutions, but also available on NM TRD's web site, using Taxpayer Access Point (TAP). TAP also offers online filing for 2014 Fiduciary Income Tax Returns.

Moving Web File and Pay Applications into TAP

During 2014, TRD web filing and electronic payment options moved into TAP. You can now file personal income tax returns and CRS-1 returns using TAP.

To access our electronic services, go to www.tax.newmexico.gov and click **Online Services**. Select the link to take you to the New Mexico web service that you need.

Recent Legislation

Limit Tax Credit Paid to another State
Applicable to tax years beginning on or after January 1, 2013.
This law specifies that an eligible taxpayer can claim the credit for taxes paid to another state (Section 7-2-13) up to the amount of New Mexico tax that the taxpayer would be liable for if the income was allocated to New Mexico, instead of the credit being capped at a 5.5% rate.

Corporate Income Tax Rate Reduction and Combined Reporting
Effective Date: January 1, 2014 (Section 7-2A-5); July 1, 2013 (Section 7-2A-8.3)
This law amends Section 7-2A-5, to decrease the highest corporate income tax rate from 7.6% to 5.9% over five years, beginning in tax year 2014. The law also amends Section 7-2A-8.3 requiring mandatory combined reporting for corporations with retail facilities exceeding thirty thousand square feet, and provides an exclusion from requirements of reporting as a combined entity with the provision that the corporation also employ 750 people in "non-retail" business activities.

Single Weighted Sales Factor Apportionment for Certain Manufacturers
Applicable to taxable years beginning on or after January 1, 2014.
This law amends Sections 7-4-10 and 7-4-17, to allow a taxpayer whose principal business activity is "manufacturing" (as defined in Section 7-4-10) to elect to have their business income apportioned to New Mexico using a single weighted sales factor, phased-in over a period of five years.

Exclude NOL Carryover for up to 20 Years
Applicable to tax years beginning on or after January 1, 2013.
Section 1 of this law amends the Income Tax Act and the Corporate Income and Franchise Tax Act, to allow the net operating loss (NOL) carryover for nineteen years after the taxable year to which the exclusion first applies, for taxable years beginning on or after January 1, 2013.

For details about New Mexico tax law changes enacted during 2014, see Publication B-100.26*, 2014 Legislative Summary.* Legislative summaries are available for each year, providing a brief description of new legislation affecting TRD. To see these summaries, visit our website at www.tax.newmexico.gov and

click **Forms and Publications**. Select the **Publications** folder and navigate to General Information **Bulletins**.

Other Changes

The Schedules CR, for Business-Related Income Tax Credits, are modified to collect specific information for each credit being claimed on the return. The change allows the Department better managing and tracking capabilities for tax credits claimed on returns. This change has created a need to revise many of our tax credit claim forms as well. Please ensure that you have the latest version of the claim form when claiming tax credits.

Filing Methods

New Mexico offers taxpayers a choice between filing their New Mexico income tax returns in the traditional paper format, and using computers to electronically file returns and make tax payments. **TRD encourages all taxpayers and tax preparers to file electronically whenever possible. E-filing provides the fastest turnaround for a refund and saves tax dollars. A return filed electronically is fast, safe, and secure**. See *Benefits of Filing Electronically* on page 17.

IMPORTANT: When you submit a paper income tax return, you must also attach your W-2s and other supporting documentation required by instruction.

You can **download paper forms, instructions, and publications** from the TRD website at www.tax.newmexico.gov using Adobe Acrobat. You can also get forms, instructions, and publications from your local district office. For the location and phone number of local district offices, see page 6. To order forms by phone, call (505) 827-2206.

When you submit a paper income tax return, you must also attach your W-2s and other supporting documentation required by instruction.

NEW: In January, 2015, New Mexico extends electronic filing options to business income tax returns. Business income tax returns may be filed on our web site. Additionally, the Department is working with software developers to include business returns in the Federal/State Filing Program. See the description of the Federal/State Electronic Filing Program on this page. Contact your software provider to determine if your product is participating in business income tax filing for New Mexico.

TRD Internet Website

TRD online services let taxpayers and tax preparers use the TRD Internet website to electronically complete and submit 2014 New Mexico income tax returns. Visit our Internet website at https://tap.state.nm.us. Online filing for the immediate

three prior-year personal income tax returns is also available. You may also use the web site to amend returns.

Federal/State Electronic Filing Program

You may purchase or access online third-party software to complete tax returns on personal computers and submit the return to TRD through the Federal/State Electronic Filing Program (Fed/State). You can also use third-party software to print a New Mexico income tax return for submission to TRD. For information about using the federal e-file program, visit the Internal Revenue Service (IRS) website at www.irs.gov.

Through a cooperative Fed/State e-file effort, you can transmit a federal income tax return and the New Mexico income tax return through the Internet using software or an online program. The returns are submitted through the Modernized E-File System. You can submit the returns together or separately. Both the IRS and TRD acknowledge receipt of returns filed through Fed/State.

NOTE: A payment made to TRD through the Fed/State program must come from a checking account. New Mexico TRD cannot accept a payment from a savings account.

Modernized E-File System

In 2011, New Mexico began offering to software developers the option to develop software so that the New Mexico income tax return can be e-filed using the Modernized E-File (MeF) system. Currently, all Fed/State returns are processed using this new electronic data interchange format. MeF is an integrated, web-based electronic filing platform replacing the legacy e-file system, essentially unchanged for IRS and the states since 1990. MeF uses new architecture for electronic filing and introduces a more fully automated, real-time, and scalable e-file system.

Important Dates for Filing 2014 PIT Returns

Except for return due dates, the dates in the next table are anticipated and subject to change.

Filing 2014 PIT Returns	Dates
2014 Forms and instructions posted to the Internet	January 5, 2015
Forms and instructions available in the district offices	January 9, 2015
Begin transmitting state returns through TRD website	January 21, 2015
Begin transmitting Fed/State returns to IRS/New Mexico (New Mexico follows IRS start date)	January 28, 2015 (IRS estimate)

Due date of the 2014 PIT return	April 15, 2015
Extended due date for taxpayers who electronically file and pay*	April 30, 2015
Federal automatic extension due date	October 15, 2015
Last day to transmit Fed/State returns to IRS/New Mexico	October 31, 2015

* To qualify for the extended due date, a taxpayer must **both** electronically file **and** electronically pay tax due.

Estimated Tax Due Dates for Calendar-Year Filers

1st Quarter	April 15, 2015
2nd Quarter	June 15, 2015
3rd Quarter	September 15, 2015
4th Quarter	January 15, 2016

Contacting Us

This section gives information about where you and taxpayers can contact TRD by phone, email, and in person about tax forms and returns.

Forms and Information

TRD is not automatically mailing 2014 PIT forms and instruction packets this year. Forms, instructions, and informational publications and brochures are available at TRD district offices and on our Internet home page at www.tax.newmexico.gov.

You can request forms, instructions, and publications through the Internet by emailing us at TRD-TaxReturnHelp@state.nm.us or calling (505) 827-2206, toll free (866) 809-2335, or your local district office.

General Subject Emails

To send an email to TRD by subject matter on a wide range of tax topics, go to our home page and click **About Us**, then **Contact Us**, and then **Email Us**. With **Email Us**, you can send email directly to the subject matter expert for your topic.

Automated Payment and Refund Information System

A new automated payment and refund information system has been created this year. To make a payment over the phone, or request the status of a refund, call (505) 841-6352, or toll free (866) 285-2996.

For personal income tax, direct your questions about the return, instructions, a submitted return, or a refund to TRD-TaxReturnHelp@state.nm.us or call (505) 827-0827, call toll free (866) 809-2335, or call or visit your local district office.

For corporate, pass-through entity tax, or fiduciary tax, direct your questions about the return, instructions, a submitted return, or a refund to cit.taxreturnhelp@state.nm.us or call (505) 827-0825 in Santa Fe or toll free (866) 809-2335, or visit your local district office.

District Office Locations	Phone Numbers
Albuquerque District Office Taxation and Revenue Department Bank of the West Building 5301 Central Ave., NE P.O. Box 8485 Albuquerque, NM 87198-8485	(505) 841-6200
Santa Fe District Office Taxation and Revenue Department 1200 South St. Francis Drive P.O. Box 5374 Santa Fe, NM 87502-5374	(505) 827-0951
Farmington District Office Taxation and Revenue Department 3501 E. Main Street, Suite N P.O. Box 479 Farmington, NM 87499-0479	(505) 325-5049
Las Cruces District Office Taxation and Revenue Department 2540 S. El Paseo, Building #2 P.O. Box 607 Las Cruces, NM 88004-0607	(505) 524-6225
Roswell District Office Taxation and Revenue Department 400 North Pennsylvania, Suite 200 P.O. Box 1557 Roswell, NM 88202-1557	(505) 624-6065

General questions about New Mexico taxes may be sent to Policy.Office@state.nm.us or to your local district office.

For help filing electronic returns through a third-party software program, send an email to TRD-NMWebfile@state.nm.us, or TRD-CustomerAssistance@state.nm.us.

If you want to write, please address your letter to the address included in the instructions for the tax program. For personal income tax, that address is, New Mexico Taxation and Revenue Department, P.O. Box 25122, Santa Fe, NM 87504-

5122. If you write for information or to order forms after April 1, do not expect to receive the forms or a response to your correspondence before April 15. You can get a faster response by calling or using the email and phone options noted earlier.

Other Online Services Available

TAP is a secure online resource that lets taxpayers and tax preparers, if approved by the taxpayer, do the following:

- Review return payment and refund information.
- Pay existing tax liabilities online.
- Check the status of a refund.
- Change contact information.
- Register a business.

TAP now allows access to 23 tax programs, including the personal income tax and gross receipts tax programs.

Managing Accounts through TAP

New Mexico's TAP is a secure resource that lets taxpayers check the status of tax accounts online, make payments, change their address, and register a business. To access TAP, go to the TRD website and click **Online Services**. Then click on the e**FILE** Icon.

NOTE: To check the status of a refund, click **Status of Tax Refund**. If you have the social security number (SSN) and the correct amount of refund due, you do not need to register for a login to check the status.

Access to certain services in TAP requires that you register for a login user name and password, and provide specific information about the taxpayer.
To register for access to TAP you need both of the following:

- Your federal employer identification number (**FEIN**), individual tax identification number (**ITIN**), or social security number (**SSN)**
- An email address

If you have enough detail about your client's account, and your client's approval, you may also use TAP to view other taxpayer's records.

TAP is currently available for the following tax programs: Personal Income Tax (PIT), Corporate Income and Franchise Tax (CIT), Pass-Through Entity (PTE), S Corporate Income and Franchise Tax (S-Corp), Combined Reporting System (CRS), Combined Fuel Tax (CFT), Cigarette Tax (CIG), Fiduciary Income Tax (FID), Gaming Operator Tax (GMO), Gaming MFG and Distributor Tax (GMD), Oil and Gas Proceeds Withholding Tax (OGP), E911 Services Surcharge (911), Local Liquor Excise Tax (LLQ), Liquor Excise Tax (LIQ), Resource Excise Tax (RES), Severance Tax (SEV), Alternative Fuels Excise Tax (AFD), Bingo and Raffle Tax (BRT), Conservation Tax

(CNS), Tobacco Products Tax (TPT), Telecommunications Relay Service Surcharge (TRS), Water Conservation Fee (H2O), Weight Distance Tax (WDT), and Workers' Compensation Fee (WKC).

Personal Income Tax Returns

Note: the remainder of this publication gives information about personal income tax returns only.

Tax Preparers' Electronic Filing Requirements

Paid tax practitioners who prepare more than 25 New Mexico personal income tax returns must ensure that each return is submitted using TRD-approved electronic media, unless the taxpayer whose return is prepared requests otherwise. TRD assesses a $5 penalty per return for each personal income tax return for which a preparer fails to comply with this requirement.

The requirement applies only to returns filed for the tax year immediately preceding the calendar year in which it is filed. You can electronically transmit a return through the TRD Online services web site or transmit it via the Internet using an approved software or online program that files the return through the Fed/State program.

A taxpayer whose return is prepared may elect to waive the preparer's requirement to file by electronic media. The preparer must have on file a signed Form RPD-41338, *Taxpayer Waiver for Preparer's Electronic Filing Requirement*, **and** must mark the box in the **Paid preparer's use only** section of the return. RPD-41338 is available at www.tax.newmexico.gov.

A tax return preparer is a person who prepares New Mexico personal income tax returns for others for compensation or who employs one or more persons to prepare such returns for others for compensation. New Mexico uses the FEIN or Preparer Taxpayer Identification Number (PTIN) to identify the tax return preparer.

TRD-approved electronic media includes a New Mexico personal income tax return transmitted electronically or submitted in paper form with a 2D barcode printed on Form PIT-1 that contains the taxpayer's tax return information. The information in the 2D barcode is electronically captured.

For questions about the new tax preparer requirement, go to the TRD website, click **Tax Professionals**, and then click **Filing and Payment Mandates**.

Tax Preparers' Signature Requirements

On PIT-1, page 2 is the **Paid preparers use only** section. **Paid tax preparers must fill out this section and sign the tax returns they prepare.** The preparer may sign by hand or any other method of electronic signature acceptable to the IRS. Tax preparers who do not charge for preparing tax returns do not need to sign the return.

Paid preparers must enter their 11-digit New Mexico CRS identification number*****, FEIN (if applicable), and an IRS-issued PTIN. A penalty is imposed for failure to comply, as described in the next section.

*A paid preparer who is not required to have a New Mexico CRS identification number is not required to complete this field. Generally, persons are not required to obtain a CRS identification number unless they perform services in New Mexico, have an employee or a business location in New Mexico, sell property in New Mexico, or lease property employed in New Mexico.

Other Tax Preparer Requirements and Penalties

TRD assesses a penalty of $25 per return or claim for refund to a paid preparer who fails to do either or both of the following:

- Sign the tax return or claim for refund.
- Include the paid preparer's identifying numbers.

TRD assesses a penalty of $500 per return for any tax return preparer who endorses or otherwise negotiates, either directly or through an agent, any refund check issued to a taxpayer.

Criminal Penalties

Any person who willfully, with intent to evade or defeat the payment or collection of any tax, does **any** of the following is guilty of a felony and subject to criminal penalties:

- Falsifies any return, statement, or other document.
- Willfully assists, procures, advises, or counsels the filing of a false return, statement, or document.
- Files any return electronically, knowing the information on the return is not true and correct as to every material matter.
- Removes, conceals, or releases or aids in the removal, concealment, or release of any property on which levy is authorized by TRD.

Upon conviction, criminal penalty may be imposed of not more than $5,000 or imprisonment of not less than six months or more than three years, or both, together with costs of prosecution.

Error-Free Processing

A fully completed, accurately computed, legible return is processed the fastest. Returns with errors require manual review and may delay refunds. Refunds for paper returns may be delayed for as long as six weeks, and 12 weeks during April and May. Refunds for electronically-filed returns may be delayed for as long as three to six weeks.

It is important to follow the directions for the return, complete all required fields, check your figures, and make sure the return is legible. For example, a refund from an error-free electronically filed return is issued within 10 to 14 days of receipt by TRD. When the return information requires manual review, refunds may be delayed for periods beyond 14 days. Generally, delays occur because return information is incomplete, incorrect, or does not match information in our records.

Reasons for delays include, but are not limited to:

- An incorrect mailing address. Taxpayer's address on the return must be **correct** and **current**.
- Incorrect or missing SSN or ITIN.
- An incorrect date format for the dependent's date of birth. The correct format is MM/DD/CCYY.
- Missing dependent's SSN or date of birth.
- An incomplete return.
- Attaching a worksheet instead of completing the correct schedule or form.
- Incorrectly claiming an exemption, deduction, or credit.
- Missing attachments and supporting documents. When you submit a paper income tax return, you must also attach your W-2s and other supporting documentation required by instruction.

- Payments reported on the return that do not match payments in the TRD system.
- A poor quality printed form.

Other common errors:

- Failure to report all income from lines 1, 2, 3, and 7 on Schedule PIT-B, column 2, when the taxpayer is a New Mexico resident. This income must be allocated to New Mexico on PIT-B.

- Submitting a duplicate return. Check the status of the original return before submitting a duplicate.

- Submitting amended returns without supporting schedules.

- Providing incorrect banking account information.

- Not answering all questions to request a Refund Express direct deposit.

- When a paper return does not include a 2D barcode, tax preparers not marking the box to indicate they have an RPD-41338 on file. Pursuant to the tax preparer electronic filing mandate, TRD may impose a $5 penalty.

- Paid tax preparers not completing the **Paid preparers use only** section on PIT-1, page 2.

- Making changes to a return with a 2D barcode without refreshing the return in the software product to record the changes in the 2D barcode. For example, if you enter direct deposit information on the return and print the return without refreshing it first, the direct deposit information is not added to the barcode.

- Submitting forms from a software product that are drafts or unapproved.

If TRD needs additional information to resolve a question or error on the return, TRD may contact the taxpayer or paid tax preparer directly. TRD does not give transmitters information about the tax return other than acknowledgement of receipt through the acknowledgement system.

Amended Personal Income Tax Returns

Any changes to New Mexico taxable income, credits, or rebates, and changes to federal taxable income require an amended New Mexico personal income tax return for the same year. For tax years beginning January 1, 2005 or after, you must file Form PIT-X for the applicable tax year. For tax years beginning before January 1, 2005, you must file amended returns using the forms for the appropriate tax year. If no amended box is present on the form, you must write **AMENDED** at the top of the form.

When filing an amended return, you must attach schedules PIT-S, PIT-ADJ, PIT-RC, PIT-B, PIT-CR, and PIT-D as required, even if the amounts did not change from the originally filed return. Unless you are amending your New Mexico return to change the amount of withholding reported, you do not need to file forms W-2 and similar information forms.

NOTE: When you submit an amended paper income tax return, you must also attach your W-2s and other supporting documentation required by instruction.

Approved Software

TRD approves companies that follow specifications and format requirements for electronic transmission or reproduction of a paper 2014 New Mexico income tax form. Acceptance of the software company does not imply endorsement by TRD or assurance of the quality of the company's services.

New Mexico annually publishes a list of approved substitute form vendors and Fed/State software companies. Approvals must be performed annually for each new tax year. TRD publishes the list of approved software companies at the beginning of the filing season. The list indicates whether the software product has been approved to support electronic transmission of the PIT-1 return, printing the PIT-1 return, and printing the PDF214 2D barcode on PIT-1, page 2.

For an explanation of the benefits of using the PDF214 2D barcode on the PIT-1, see *Using Barcodes* on page 15. To view the list of approved vendors and software companies, visit the TRD website at www.tax.newmexico.gov and click **Tax Professionals** and then **Software Developers**.

Authorized Representative

By meeting the requirements described here, taxpayers may designate another person to represent them on tax-related matters. The taxpayer can make a request for one year or multiple years. To authorize another person as a representative, the taxpayer must provide written authorization to TRD. The written authorization must satisfy all of these requirements:

- Be in writing

- Contain sufficient information for TRD to identify the taxpayer and the taxpayer's representative

- Be signed by the taxpayer

To obtain authorization, the taxpayer must complete Form ACD-31102, *Tax Information Authorization*, or provide a similar document that contains the required elements just listed. If presented with proper authorization from the representative, the Secretary of TRD or a TRD employee may reveal information about a return to the authorized person.

If the Secretary or employee has reason to question the continued validity of the authorization to represent the taxpayer, the Secretary or employee may ask the taxpayer whether the authorization remains valid.

Refund Anticipation Loans

A Refund Anticipation Loan (RAL) allows a taxpayer to borrow money with an anticipated income tax refund as security. TRD is not a party to RALs. RALs are contracts between taxpayers and lenders.

The TRD acknowledgement that a taxpayer's return is accepted for processing is not a guarantee to either the taxpayer or the lender that the taxpayer will receive a refund or that TRD guarantees the amount of the refund. TRD does not guarantee a specific date of refund issuance or the issuance of the anticipated refund amount, and does not accept inquiries from financial institutions concerning the issuance or amount of refunds. TRD is not liable for any loss suffered by the taxpayer, the ERO, or the financial institution as a result of an RAL.

Any entity providing RALs must explain to taxpayers applying for RALs that an RAL is an interest-bearing loan, not a faster way to receive income tax refunds.

Responsibilities of Tax Practitioners

All tax preparers, EROs, and Fed/State transmitters accept specific responsibilities regarding filing New Mexico personal income tax returns.

Tax practitioners must do the following:

- Comply with the requirements set forth in this guide and with the requirements and procedures set by the IRS.
- Maintain a high degree of integrity, compliance, and accuracy.
- Examine two forms of taxpayer identification before preparing returns or accepting returns for electronic transmission.
- Be alert to suspicious electronic filing transactions and report them to the local New Mexico TRD district office.
- Provide instruction to taxpayers for filing the return and paying any tax due, including providing the **correct TRD payment voucher** if taxpayers do not choose direct debit.
- Retain records of returns for three years.
- Identify the paid preparer in the appropriate fields of the paper or electronic return.
- Furnish the taxpayer with copies of the signed Form PIT-8453, Forms W-2 and 1099, and any other documents the taxpayer included with the return as supporting material for the taxpayer's records.
- Monitor electronic filing at branch offices of the ERO's firm to ensure compliance with all New Mexico TRD requirements.

- Stress to taxpayers the importance of supplying correct information.
- Ensure the security of all returns and documents related to the taxpayer's return.

ABOUT PAPER RETURNS

This section gives information about reproduction and substitute forms, quality standards required for forms, and barcodes.

NOTE: When you submit a paper income tax return, you must also attach your W-2s and other supporting documentation required by instruction.

Reproduction of New Mexico State Tax Forms

Any person who wants to create a New Mexico TRD state tax form for their own use or for use by others must receive approval to generate a substitute form. A substitute form is any form produced and made available for use by any person or business other than TRD. A substitute form must meet TRD requirements and must be approved by TRD prior to use. TRD reserves the right to reject substitute forms that do not meet TRD requirements.

For more information on specifications and approval procedures, go to the TRD website at www.tax.newmexico.gov. Click **Tax Professionals** to find the publication, *General Specifications and Approval Procedures for the Reproduction of New Mexico State Tax Forms*. Here you can also find the list of form vendors and software developers approved to reproduce New Mexico state income tax forms, *Approved Software Developers for the Reproduction of 2012 New Mexico Tax Forms*

Quality Forms

Submit only high-quality, printed, **original** forms to TRD. A poor print or photocopy of a form from the TRD website or an approved software product delays processing the return and any refund due.

TRD uses scanning equipment to process tax forms. The barcodes and scanlines used on the forms require exact placement on the page and must adhere to certain printing standards. Do not submit a photocopy of forms provided by TRD, whether obtained directly from TRD or downloaded from the TRD Internet website. When using any New Mexico approved, computer-generated personal income tax form, you must comply with the printing and legibility requirements of the software developer.

HINT: If a printer can print a logo clearly, then it can print a quality tax form. Never submit a photocopy of a form the software generates.

Do Not Alter the Form in Any Way

A TRD supplied or approved form that has been altered by a taxpayer or tax preparer may be rejected. Do not alter a form's title to indicate the next year. For example, do not change the tax year of a form from 2013 to 2014. You cannot use a 2013 income tax form to file a 2014 tax return.

Do not cut a form except where specifically shown to cut. On most payment vouchers, you are specifically directed to cut the form before submitting it to TRD with the payment. **Cut the form only on the dotted line**.

Do not submit forms that bear watermarks such as *Do Not File* or *Pending Approval*.

When payment vouchers contain a scanline, do not write in the area around the scanline.

Paper

Print forms on 8½ by 11-inch white paper. The minimum paper weight for forms is 20-pound bond. Printers and copiers have much less trouble with this weight than with lighter weight papers. To ensure a quality form, avoid using recycled paper.

Printing Options

Use only single-sided printing with portrait paper orientation. Set the printer's **Paper Scaling** to **None** or **Actual**, depending upon your printer.

Ink or Toner

Make sure the ink or toner cartridge is not low, which results in a faded print image. Do not change the color of the text on the printed form. Forms supplied by TRD use black and blue ink. Software forms use black ink only.

Using Barcodes

New Mexico uses two types of barcodes on its personal income tax forms. All principal forms and schedule require a form barcode (3 of 9 barcode) printed in the upper right-hand corner of the page. This allows the scanner to identify the form. The tax year, the form, and the source of the form are identified in the form barcode. Below is a sample[1] of how the form barcode appears.
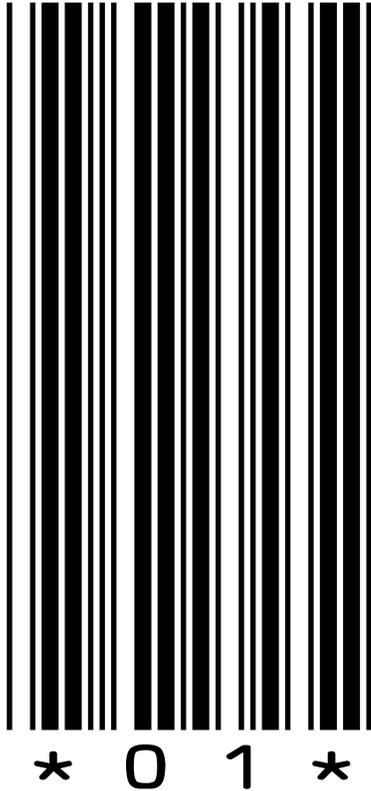
0 1

The PDF417 (2D) barcode appears differently from the form barcode. It prints only on PIT-1, page 2 under the form barcode. A sample[2] of how the 2D barcode appears is shown next.

The 2D barcode is optional for the personal income tax form. However, TRD strongly recommends you to use a software program that supports the 2D barcode on the scannable personal income tax form. The advantages of using a form with the 2D barcode includes, but is not limited to, faster processing of the paper form and fewer data entry errors. The 2D barcode contains the taxpayer's return information, directly uploaded from the 2D barcode printed on the form.

If the 2D barcode is not read because printer considerations were not followed when printing the form, TRD routes the form for data entry. A properly printed 2D

barcode reduces the amount of time required to process a return, and results in a faster refund for the taxpayer.

IMPORTANT: If you need to make changes to the PIT-1 or to one of its schedules after the software product printed the return with the 2D barcode on PIT-1, page 2, do not handwrite those changes on the form. Handwritten changes are not recorded in the 2D barcode. It is important to go back into the software product, make the changes, and then reprint the form so the 2D barcode contains the changes.

Check with tax preparation software developers to determine whether they support printing of the 2D barcode for the 2014 PIT-1 or visit www.tax.newmexico.gov. Click **Tax Professionals**, then **Software Developers**, and then click, **Approved Software Developers for the Reproduction of 2014 New Mexico Tax Forms**.

ABOUT ELECTRONIC FILING

This section covers information about electronic filing, including the benefits, how to qualify, backup documentation, receipt acknowledgements, and return rejects and their error codes.

Benefits of Filing Electronically

Electronic filing is fast, safe, and secure. It minimizes errors and delays associated with manual handling and data entry of tax forms. It saves tax dollars. And the electronically transmitted return cannot be lost in the mail. Electronic returns also have a much higher accuracy rate because the software alerts the preparer to obvious errors. Consequently, returns are processed quicker, resulting in the fastest possible refund. Caution: Submitting returns electronically is not the same as preparing, printing, and filing them in paper format. When you submit a paper income tax return, you must also attach your W-2s and other supporting documentation required by instruction.

Additionally, taxpayers who both **file and pay** electronically **receive an extension of their filing deadline to April 30, 2015**. If a return is filed electronically and any taxes due are also paid electronically before April 30th, no penalty and interest is due. The filing deadline for all other 2014 returns and payments is April 15, 2015.

Generally for a paper return received at TRD early in the tax season, it takes four to six weeks before the taxpayer receives a refund. If a paper return is filed after March 15, 2015, the taxpayer may not receive a refund for up to 12 weeks. As part of the TRD commitment to provide high quality customer service and minimize processing costs, TRD has set a goal to process error-free, electronically-filed

personal income tax returns within 10 to 14 days of receipt. This means TRD would issue **a refund within 14 days** of receipt of an **error-free** return that shows a refund due.

TRD continues to offer Refund Express and electronic payment services to taxpayers and tax professionals who use Fed/State electronic filing and TRD online filing. Refund Express and electronic payment services allow tax return filers to electronically deposit refunds into a taxpayer's checking or savings account, or make tax payments directly from a taxpayer's checking account. By using the e-check option, the taxpayer can choose the payment date.

NOTE: A payment made to TRD through the Fed/State program must come from a checking account. New Mexico TRD cannot accept a payment for tax due from a savings account.

Qualifying as an E-File Provider

Before e-filing with the IRS, tax preparation firms must apply for IRS authorization as an IRS e-file provider. Apply as early as possible to make sure you are approved in time for January 1, 2015. No additional application form or application process is necessary for approval to file a New Mexico PIT return through the IRS approved Fed/State software program.

After receiving acceptance by the IRS, the tax professional, ERO, or transmitter is automatically accepted to file a New Mexico PIT return through the Fed/State program. However, you must make sure the software you use is approved for Fed/State filing by New Mexico.

A list of approved software developers and programs is provided on the TRD website www.tax.newmexico.gov. Click **Tax Professionals**, then **Software Developers**, and then click **Approved Software Developers for the Reproduction of 2014 New Mexico Tax Form**.

How do you register to become an authorized IRS e-file provider? Register for e-services and then complete the IRS e-file application available at the IRS website www.irs.gov. See e-services on the IRS tax professionals page.

Supporting Backup Documentation

This section gives information about backup documentation and about e-filing through a third-party software program or through the TRD website.

E-Filing Through a Third-Party Software Program

When e-filing a New Mexico personal income tax return and its schedules through a third-party software program, you may be required to provide TRD with additional documentation to support a claim for a deduction, credit, or rebate. Because New Mexico personal income tax returns are now supported in the new Fed/State e-file format—Modernized E-File or MeF—you can submit the additional documents with the electronic return if your software supports attachments. In this case, no separate mailing for backup documentation is necessary.

Some New Mexico supplemental forms are available in the software program for electronic completion. If your software supports electronically completed forms, you do not need to mail these forms.

NOTE: When you submit a paper income tax return, you must also attach your W-2s and other supporting documentation required by instruction.

E-Filing through the TRD Website

When e-filing a 2014 New Mexico personal income tax return and its schedules through the TRD web site, and if you are required to provide TRD with additional documentation to support a claim for a deduction, credit, or rebate, you can provide the additional documentation to TRD through online transmission. The New Mexico web application guides you through the attachment process.

NOTE: When you submit a paper income tax return, you must also attach your W-2s and other supporting documentation required by instruction.

Submitting Backup Documentation By Mail

If you cannot electronically complete the required backup documentation or attach it using your software, you must submit any attachments to TRD with Form **PIT-8453**, *Individual Income Tax Declaration for Electronic Filing and Transmittal*.

The paid tax preparer, ERO, or transmitter who electronically files a tax return using a tax software program, either on a personal computer or through the New Mexico website on behalf of a taxpayer, must complete PIT-8453. This form also acts as the transmittal or cover page for additional supporting documentation (paper schedules or statements) if these additional documents are required for submittal to TRD.

You only need to mail PIT-8453 to TRD if the return requires additional paper schedules or attachments that you cannot transmit electronically. If this is the case, mail PIT-8453 to TRD with the required paper backup documentation. If you must mail PIT-8453 to TRD, do not include PIT-1 or Schedules PIT-ADJ, PIT-B, PIT-CR, PIT-D, PIT-RC, and PIT-S. Mail PIT-8453 and supporting documentation to the following address (also printed on the form):

New Mexico Taxation and Revenue Department
P. O. Box 5418
Santa Fe, NM 87502-5418

Acknowledgements of Receipt of the Return

Returns filed through the TRD web page (PIT Web file) receive an acknowledgement of receipt of the return. Print the acknowledgement page as verification that TRD received your return. The system provides acknowledgement immediately after you submit a return.

Returns filed through the Fed/State program also acknowledge receipt or rejection of returns. New Mexico retrieves PIT returns from the IRS, and then generates and transmits acknowledgements of receipt of the return (or may transmit a rejection of the return) through the IRS within two business days of receipt.

Preparers, EROs, and transmitters may view and retrieve acknowledgements and rejection notices from the IRS. The software that you use to e-file the return provides instructions for how to review acknowledgements from TRD.

Fed/State Individual Reject and Error Codes

Personal income tax returns are rejected if they do not conform to specifications. Rejected returns are not considered as received by TRD, and you must resubmit them before the due date of the return.

The following table shows the current 2014 error codes. Updates to error codes are provided as modifications take place.

Error Code	Personal Income Tax (PIT) 2014 Error Description for Software User	Corrective Action for Software User
Schema validation	Varies according to error. Line, position and message are supplied.	Contact your software developer.
0	You are not approved for submissions with this form type and form year.	Contact your software developer.
110	Form PIT-1, line 11 has a value, but Sch PIT-ADJ form is missing.	Correct field value or submit the PIT-ADJ schedule.
115	Form PIT-1, line 15 has a value, but Sch PIT-ADJ form is missing.	Correct field value or submit the PIT-ADJ schedule.
120	Form PIT-1, line 21 has a value, but Sch PIT-CR form is missing.	Correct field value or submit the PIT-CR schedule.
125	Form PIT-1, line 24 has a value, but Sch PIT-RC form is missing.	Correct field value or submit the PIT-RC schedule.
130	Form PIT-1, line 39 has a value, but Sch PIT-D form is missing.	Correct field value or submit the PIT-D schedule.

Error Code	Personal Income Tax (PIT) 2014 Error Description for Software User	Corrective Action for Software User
135	There is a value in number of dependents, but the Dependent information is missing.	Correct field value or ensure that you have reported the information on the return for all dependents via PIT-S schedule.
140	Sch PIT-B, line 8, col 2 has a value, but Sch PIT-B, page 2 is missing.	Correct field value or submit Schedule PIT-B, page 2.
143	Form PIT-1 line 9 must be negative if entry in line 9a.	Correct the computation or review the entries that are used in the computation.
145	Form PIT-1, line 17 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
150	Form PIT-1, line 22 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
155	Form PIT-1, line 31 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
160	Form PIT-1, line 37 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
165	Form PIT-1, line 41 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
170	Schedule PIT-ADJ, line 5 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
175	Schedule PIT-ADJ, line 21 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
185	Schedule PIT-RC, line 2d is not computed correctly.	Correct the computation or review the entries that are used in the computation.
190	Schedule PIT-RC, line 2g is not computed correctly.	Correct the computation or review the entries that are used in the computation.
200	Schedule PIT-RC, line 3 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
205	Schedule PIT-RC, line 12 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
210	Schedule PIT-RC, line 17a is not computed correctly.	Correct the computation or review the entries that are used in the computation.
215	Schedule PIT-RC, line 27 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
225	Schedule PIT-D, line 11 is not computed correctly.	Correct the computation or check the fields that are used in the computation and ensure the amount does not exceed the overpayment amount.

Error Code	Personal Income Tax (PIT) 2014 Error Description for Software User	Corrective Action for Software User
230	Schedule PIT-B, line 9, column 1 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
235	Schedule PIT-B, line 9, column 2 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
240	Schedule PIT-B, line 11, column 1 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
245	Schedule PIT-B, line 11, column 2 is not computed correctly.	Correct the computation or review the entries that are used in the computation.
255	Filing status must be married filing joint for a deceased spouse to be reported.	Correct the filing status or eliminate the deceased spouse information.
260	Filing status must be married filing joint for a spouse to be reported on PIT-ADJ line 10b.	Correct the filing status or eliminate the spouse information on PIT-ADJ line 10b.
265	Filing status must be married filing joint for a spouse to be reported on PIT-ADJ line 11b.	Correct the filing status or eliminate the spouse information on PIT-ADJ line 11b.
275	Filing status must be married filing joint to complete the Spouse column on PIT-RC, line A.	Correct the filing status or eliminate the spouse information on PIT-RC, line A.
280	Filing status must be married filing joint to complete the Spouse column on PIT-RC, line B.	Correct the filing status or eliminate the spouse information on PIT-RC, line B.
285	Filing status must be married filing joint to complete the Spouse column on PIT-RC, line C.	Correct the filing status or eliminate the spouse information on PIT-RC, line C.
290	Filing status must be married filing joint to complete the Spouse column on PIT-RC, line D.	Correct the filing status or eliminate the spouse information on PIT-RC, line D.
300	Filing status must be married filing joint for spouse to be reported on PIT-RC, line 2f.	Correct the filing status or eliminate the spouse information PIT-RC, line 2f.
305	Filing status must be married filing joint for spouse to be reported on PIT-D, line 10B.	Correct the filing status or eliminate the spouse information on PIT-D, line 10B.
310	Filing status must be married filing joint for spouse residency period to be reported on PIT-B.	Correct the filing status or eliminate the spouse information for spouse residency period on PIT-B.
315	Filing status must be married filing joint for spouse residency period to be reported on PIT-B.	Correct the filing status or eliminate the spouse information for spouse residency period on PIT-B.
330	To report an extension of time to file, you must enter the extended due date and mark the check box.	Check and correct all of the associated information.

Error Code	Personal Income Tax (PIT) 2014 Error Description for Software User	Corrective Action for Software User
335	Entering bank information requires a routing number, account number and you must indicate a saving or checking account.	Check and correct all of the associated information.
336	You must answer "No" to the question about accounts located outside the U.S. to receive a direct deposit.	Check and correct all of the associated information.
340	PIT-ADJ, line 10. You must indicate the Indian nation, tribe or pueblo of the taxpayer and spouse (lines 10a and 10b) - if applicable - to claim this deduction.	Check and correct all of the associated information.
345	PIT-ADJ, line 11. You must mark one or both of the boxes 11a and 11b, to claim this deduction or exemption.	Check and correct all of the associated information.
350	PIT-ADJ, line 12. You must indicate the blind/over 65 (PIT-1, line 1c, 1d, 2c, 2d) for the taxpayer and spouse - if applicable - to claim this exemption.	Check and correct all of the associated information.
355	PIT-RC, line 2c. You must mark one or both of the boxes on the PIT-1, to claim the extra exemptions.	Check and correct all of the associated information.
360	PIT-D, line 10. You must complete one or both of the boxes 10A and 10B, to contribute part of your overpayment to a New Mexico political party.	Check and correct all of the associated information.
365	PIT-ADJ, line 5 must equal Form PIT-1, line 11.	Check and correct all of the associated information.
370	PIT-ADJ, line 21 must equal Form PIT-1, line 15.	Check and correct all of the associated information.
375	PIT-B, line 14, is not computed correctly, or does not equal Form PIT-1, line 18.	Check and correct all of the associated information.
380	PIT-CR, line 21 must equal Form PIT-1, line 21.	Check and correct all of the associated information.
385	PIT-RC, line 26 must equal Form PIT-1, line 24.	Check and correct all of the associated information.
390	PIT-D, line 11 must equal Form PIT-1, line 39.	Check and correct all of the associated information.
395	PIT-1, lines 16 and line 16a must both be completed to claim the deduction.	Check and correct all of the associated information.
400	PIT-1, line 25 and 25a must both be completed to claim the credit.	Check and correct all of the associated information.

Error Code	Personal Income Tax (PIT) 2014 Error Description for Software User	Corrective Action for Software User
405	PIT-1, line 18a indicates that a Sch PIT-B is required, but Sch PIT-B is missing.	Correct field or include schedule PIT-B.
406	Form PIT-1, line 18 does not match Sch CC line 3.	Check and correct all of the associated information.
410	Sch PIT-RC, line 16c is not correctly computed.	Correct the field.
415	PIT-1, line 25 is not correctly computed.	Check and correct all of the associated information.
420	Sch PIT-B, line 12 is not correctly computed.	Check and correct all of the associated information.
425	Sch PIT-B, line 14 is not correctly computed.	Check and correct all of the associated information.
430	Sch PIT-B, page 2, line 1b is not correctly computed.	Check and correct all of the associated information.
435	Sch PIT-B, page 2, line 2b is not correctly computed.	Check and correct all of the associated information.
450	The routing number is incorrect or invalid.	Correct the routing number.
455	Sch PIT-RC, line 2h, cannot be a positive number if filing status is not Married Filing Separate.	Correct the field or change the filing status.
460	PIT-1, line 7, filing status is Married Filing Joint, requiring the spouse residency status.	Correct the field or change the filing status.
500	Filing status must be married filing joint for Sch PIT-B, page 1, if the qualified military servicemembers spouse check box is checked.	Correct the filing status or eliminate the check in the qualified military servicemembers spouse check box.
505	Sch PIT-RC qualified dependents, line 20 was left blank and taxpayer claimed an amount for child day care, Sch PIT-RC, line 22.	Correct whichever line is wrong on Sch PIT-RC lines 20 or 22.
510	Sch PIT-RC, Los Alamos or Santa Fe County check box must be checked if claiming Sch PIT-RC, line 18c.	Correct whichever line is wrong on Sch PIT-RC Los Alamos or Santa Fe County check box line 18c.
515	Invalid date-of-death for the primary taxpayer.	Correct the date-of-death for the primary taxpayer.
520	Invalid date-of-death for the spouse.	Correct the date-of-death for the spouse.
525	NM does not support transactions that go out of the United States.	Eliminate the PIT-1, Refund Express flag indicating that the refund will go outside the

Error Code	Personal Income Tax (PIT) 2014 Error Description for Software User	Corrective Action for Software User
		United States.
530	Sch PIT-B, line 1, full year residents must allocate the full column 1 amount to NM, column 2, unless they are resident military.	Correct Sch PIT-B, line 1, column 1.
535	Sch PIT-B, line 2, full year residents must allocate the full column 1 amount to NM, column 2, unless they are resident military.	Correct Sch PIT-B, line 2, column 1.
540	Sch PIT-B, line 3, full year residents must allocate the full column 1 amount to NM, column 2, unless they are resident military.	Correct Sch PIT-B, line 3, column 1.
545	Sch PIT-B, line 7, full year residents must allocate the full column 1 amount to NM, column 2, unless they are resident military.	Correct Sch PIT-B, line 7, column 1.
550	PIT-1, filing status is Married Filing Separate but the spouse's SSN is missing.	Correct the filing status or enter the spouse SSN on PIT-1, line 2b.
560	Filing status must be married filing joint for a spouse to be reported on PIT-1, line 2c, blind.	Correct the filing status or eliminate the spouse information on PIT-1, line 2c, blind.
565	Filing status must be married filing joint for a spouse to be reported on PIT-1, line 2d, 65 or over.	Correct the filing status or eliminate the spouse information on PIT-1, line 2d, 65 or over.
590	Sch PIT-RC, line 2e value does not correspond to the value on PIT-1, line 1d, primary 65 or over.	Correct whichever line is wrong PIT-RC, line 2e or PIT-1, line 1d, primary 65 or over.
595	Sch PIT-RC, line 2f value does not correspond to the value on PIT-1, line 2d, spouse 65 or over.	Correct whichever line is wrong PIT-RC, line 2f or PIT-1, line 2d, spouse 65 or over.
600	The State of NM does not allow debiting against savings accounts.	Change the debit type to checking account.
610	The debit date given is an invalid value.	Correct the field.
630	Sch PIT-RC, line 18b value outside of allowed range 35 to 75	Correct the field.
640	Non-IAT transactions requiring payment must have a requested debit date.	Fill in debit date field
645	PIT-CR, line B must equal Form PIT-1, line 26.	Correct which line is wrong.
650	Form PIT-1, line 26 has a value, but Sch PIT-CR form is missing.	Correct field or include schedule PIT-CR

Error Code	Personal Income Tax (PIT) 2014 Error Description for Software User	Corrective Action for Software User
655	RPD-41317, line 3 must equal sum of Column F.	Correct the computation or review the entries that are used in the computation.
660	RPD-41326, line 3 must equal sum of Column F.	Correct the computation or review the entries that are used in the computation.
665	RPD-41329, line 3 must equal sum of Column F.	Correct the computation or review the entries that are used in the computation.
670	Schedule PITCR, line B is not computed correctly.	Review instructions and correct for Film Production or Renewable Energy tax credits
675	Schedule PITCR, line A is not computed correctly.	Correct the computation or review the entries that are used in the computation.
680	Form PIT-1, line 21 cannot exceed tax on line 18 minus line 20; if 18a is type B.	Review instructions and review/correct the entries that are used in the computation.
685	Form PIT-1, line 21 cannot exceed tax on lines 18 + 19, minus line 20; if 18a is type R.	Review instructions and review/correct the entries that are used in the computation.
690	Worksheet Childcare, sum of Column G does not match what is reported.	Correct the computation or review the entries that are used in the computation.
695	Schedule PIT-RC, line 19 must match Worksheet Childcare, sum of Column G.	Review instructions and review/correct the entries that are used in the computation.

Fed/State Corporate Reject and Error Codes

Corporate income tax returns are rejected if they do not conform to specifications. Rejected returns are not considered as received by TRD, and you must resubmit them before the due date of the return.

The following table shows the current **Corporate Income Tax (CIT) 2014** error codes. Updates to error codes are provided as modifications take place.

Error Code	Corporate Income Tax (CIT) 2014 Error Description for Software User	Corrective Action for Software User
0	This software program is not approved for submissions with this form type and form year.	Contact your software developer.
335	Entering bank information requires a routing number, account number and you must indicate saving or checking.	Enter your bank information including a routing number, account number, and indicate saving or checking account.

Error Code	Corporate Income Tax (CIT) 2014 Error Description for Software User	Corrective Action for Software User
336	You must answer "No" to the question about accounts located outside the U.S. to receive direct deposit.	Correct the field by answering "No".
1050	Form CIT-1 Tax Year Beginning date must match tax year.	Correct the field by matching the tax year beginning date to the tax year.
1070	Form CIT-1 Accounting Method (line F) must have a valid selection.	Correct the field by selecting a valid Accounting Method.
1075	Form CIT-1 Must specify a method on line F1 if "Other" is specified on line F.	Correct the field by specifying what "Other" method is being used.
1080	Form CIT-1, line G. Must give a date when final return indicated.	Correct the field by indicating the date of the final return.
1095	Form CIT-1, line 1 must match federal 1120, line 28.	Correct the field by matching line 1 to federal 1120, line 28.
1100	Form CIT-1, line 1 must be negative if entry in line 1a.	Correct the computation or review the entries that are used in the computation.
1110	Form CIT-1, line 3 must match federal 1120, line 29b.	Correct the field by matching line 3 to federal 1120, line 29b.
1115	Form CIT-1, line 4 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1120	Form CIT-1, line 7 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1125	Form CIT-1, line 8 does not match CIT-D, line 5.	Correct the field by matching CIT-1, line 8 to CIT-D line 5.
1130	Form CIT-1, line 9 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1135	Form CIT-1, line 11 has a value other than 100%, but does not match SchC, line 5.	Correct the field by matching line 11 to SchC, line 5.
1140	Form CIT-1, line 12 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1142	Form CIT-1, line 13 must match total of CIT-CR, column Amount Applied.	Correct the field by matching CIT-1, line 13 to CIT-CR column Amount Applied.
1145	Form CIT-1, line 14 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1155	Form CIT-1, line 15 must be multiples of $50.	Correct the computation or review the entries that are used in the computation.
1160	Form CIT-1, line 16 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.

Error Code	Corporate Income Tax (CIT) 2014 Error Description for Software User	Corrective Action for Software User
1162	Form CIT-1, line 17 shows a value but not using an amended filing type on page 1, line 4.	Correct the field by entering an amended filing type on page 1, line 4.
1165	Form CIT-1, line 18 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1167	Form CIT-1, line 19 must show at least one payment type if value is nonzero.	Correct the field by showing at least one payment type on line 19.
1170	Form CIT-1, line 22 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1175	Form CIT-1, line 23 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1180	Form CIT-1, line 26 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1182	Form CIT-1, line 27 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1185	Form CIT-1, line 27a must be less than or equal to line 27.	Correct the computation or review the entries that are used in the computation.
1190	Form CIT-1, line 27b is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1195	Form CIT-1, line 28 must match total of CIT-CR, column Amount Refunded.	Correct the field by matching line 28 to total of CIT-CR, column Amount Refunded.
1200	Form CIT-1, line 29 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1800	Form CIT-A, line 5a Property Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
1805	Form CIT-A, line 5b Property Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
1810	Form CIT-A, line 5c Property Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
1815	Form CIT-A, line 5d Property Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
1820	Form CIT-A, line 5e Total Property, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
1825	Form CIT-A, line 5e Total Property, lines 1-7, Column 1 (Everywhere), review sum.	Correct the computation or review the entries that are used in the computation.

Error Code	Corporate Income Tax (CIT) 2014 Error Description for Software User	Corrective Action for Software User
1830	Form CIT-A, line 5e Total Property, lines 1-7, Column 2 (NM), review sum.	Correct the computation or review the entries that are used in the computation.
1835	Form CIT-A, line 5 Property Factor, review percent.	Correct the computation or review the entries that are used in the computation.
1840	Form CIT-A, line 6a Payroll Factor, Column 1 (Everywhere), must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
1845	Form CIT-A line 6 Payroll Factor, review percent.	Correct the computation or review the entries that are used in the computation.
1850	Form CIT-A line 7a Sales Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
1855	Form CIT-A, line 7 Sales Factor, review percent.	Correct the computation or review the entries that are used in the computation.
1870	Form CIT-A, election effective date must be earlier than timestamp of return.	Correct this entry by reviewing and updating the election effective date.
1875	Form CIT-A, line 1 must match CIT-1 line 9.	Correct the field by matching CIT-A, line 1 to CIT-1 line 9.
1877	Form CIT-A, line 2 does not match CIT-B, line 8.	Correct the field by matching CIT-A, line 2 to CIT-B line 8.
1880	Form CIT-A, line 3 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1885	Form CIT-A, line 3 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1900	The routing number is incorrect or invalid.	Correct the field by reviewing the routing number that was entered.
1905	NM does not support transactions that go out of the United States.	Correct the field by answering "No".
1910	The State of NM does not allow debiting against savings accounts.	Change the debit type to checking account.
1915	The debit date given is an invalid value.	Correct the field.
1920	NON-IAT transactions requiring payment must have a requested debit date.	Fill in debit date field.
2020	Form CIT-B, Column 3 must be greater or equal to Column 4 (NM Allocation).	Correct the computation or review the entries that are used in the computation.
2030	Form CIT-B, line 8, column 3 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.

Error Code	Corporate Income Tax (CIT) 2014 Error Description for Software User	Corrective Action for Software User
2035	Form CIT-B, line 9, column 4 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
2060	Form CIT-C, line 4, computed incorrectly. Should be CIT-B line 9, column 4 multiplied by CIT-A line 4.	Correct the computation or review the entries that are used in the computation.
2065	Form CIT-C, line 5, computed incorrectly. Should be line 4 divided by CIT-1 line 9, multiplied by 100%.	Correct the computation or review the entries that are used in the computation.
2130	Form CIT-D, line 5 computed incorrectly.	Correct the computation or review the entries that are used in the computation.

The following table shows the current **Subchapter S Corporation (S-Corp) 2014** error codes. Updates to error codes are provided as modifications take place.

Error Code	Subchapter S Corporation (S-Corp) 2014 Error Description for Software User	Corrective Action for Software User
0	This software program is not approved for submissions with this form type and form year.	Contact your software developer.
130	Schedule S-Corp A must be filed if Form S-Corp line F indicates immunity from New Mexico taxes.	Correct the field by filing a Schedule S-Corp A or review the entries on Form S-Corp line F that is indicating immunity from New Mexico taxes.
335	Entering bank information requires a routing number, account number and you must indicate saving or checking.	Enter your bank information including a routing number, account number, and indicate saving or checking account.
336	You must answer "No" to the question about accounts located outside the U.S. to receive direct deposit.	Correct the field by answering "No".
1120	Form S-Corp, line 1 does not match SchC line 4, column 1.	Correct the field by matching S-Corp, line 1 to SchC, line 4 column 1.
1135	Form S-Corp, line 3 has a value other than 100%, but Schedule S-Corp C is missing or does not match SchC line 5.	Correct the field by matching line 3 to Schedule S-Corp C, line 5.
1140	Form S-Corp, line 4 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.

Error Code	Subchapter S Corporation (S-Corp) 2014 Error Description for Software User	Corrective Action for Software User
1142	Form S-Corp, line 5 must match total of CIT-CR, column Amount Applied.	Correct the field by matching S-Corp, line 5 to CIT-CR column Amount Applied.
1145	Form S-Corp, line 6 cannot be negative.	Correct the computation or review the entries that are used in the computation.
1050	Form S-Corp Tax Year Beginning date must match tax year.	Correct the field by matching the tax year beginning date to the tax year.
1155	Form S-Corp, line 7 must be multiples of $50.	Correct the computation or review the entries that are used in the computation.
1160	Form S-Corp, line 8 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1162	Header must show return as amended if value on line 9.	Correct the field by indicating if the return is amended.
1165	Form S-Corp, line 10 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1168	Form S-Corp, line 14 cannot be more than sum of lines 12 and 13.	Correct the computation or review the entries that are used in the computation.
1170	Form S-Corp, line 15 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1175	Form S-Corp, line 16 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1180	Form S-Corp, line 19 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1183	Form S-Corp, line 20 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1185	Form S-Corp, line 20a must be less than or equal to line 20.	Correct the computation or review the entries that are used in the computation.
1190	Form S-Corp, line 20b is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1195	Form S-Corp, line 21 must match total of CIT-CR, column Amount Refunded.	Correct the field by matching S-Corp, line21 to CIT-CR column Amount Applied.
1200	Form S-Corp, line 22 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
1900	The routing number is incorrect or invalid.	Correct the field by reviewing the routing number that was entered.
1905	NM does not support transactions that go out of the United States.	Correct the field by answering "No".

Error Code	Subchapter S Corporation (S-Corp) 2014 Error Description for Software User	Corrective Action for Software User
1910	The State of NM does not allow debiting against savings accounts.	Change the debit type to checking account.
1915	The debit date given is an invalid value.	Correct the field.
1920	NON-IAT transactions requiring payment must have a requested debit date.	Fill in debit date field.
2055	Form S-Corp C, line 3, column 1 must match federal 1120 S Schedule D, line 18.	Correct the field by matching S-Corp C, line 3, column 1 to federal 1120 S Schedule D, line 18.
2060	Form S-Corp-C, line 4 column 1 (Everywhere) is calculated incorrectly.	Correct the computation or review the entries that are used in the computation.
2061	Form S-Corp-C, line 4 column 2 (New Mexico Income) is calculated incorrectly.	Correct the computation or review the entries that are used in the computation.
2065	Form S-Corp-C, line 5, percent is calculated incorrectly.	Correct the field by reviewing the percent.
2305	For S-Corp-CR line B summation is wrong.	Correct the computation or review the entries that are used in the computation.
2310	For S-Corp-CR line A summation is wrong.	Correct the computation or review the entries that are used in the computation.
3005	Form S-Corp-1, line 4 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
3015	Form S-Corp-1, line 8 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
3020	Form S-Corp-1, line 9 must match S-Corp-A line 5.	Correct the field by matching S-Corp-1, line 9 to Schedule S-Corp A, line 5.
3025	Form S-Corp-1, line 10 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
3035	Form S-Corp-1, line 11 is computed incorrectly.	Correct the computation or review the entries that are used in the computation.
4000	Form S-Corp-A, line 1a Property Factor, Column 1 (Everywhere) must be greater than or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
4005	Form S-Corp-A, line 1b Property Factor, Column 1 (Everywhere) must be greater than or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
4010	Form S-Corp-A, line 1c Property Factor, Column 1 (Everywhere) must be greater than or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.

Error Code	Subchapter S Corporation (S-Corp) 2014 Error Description for Software User	Corrective Action for Software User
4015	Form S-Corp-A, line 1d Property Factor, Column 1 (Everywhere) must be greater than or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
4020	Form S-Corp-A, line 1e Total Property, Column 1 (Everywhere) must be greater than or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
4025	Form S-Corp-A, line 1e Total Property lines 1-7, Column 1 (Everywhere), review sum.	Correct the computation or review the entries that are used in the computation.
4030	Form S-Corp-A, line 1e Total Property lines 1-7, Column 2 (NM), review sum.	Correct the computation or review the entries that are used in the computation.
4035	Form S-Corp-A, line 1 Property Factor, review percent.	Correct the computation or review the entries that are used in the computation.
4040	Form S-Corp-A, line 2a Payroll Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
4045	Form S-Corp-A, line 2 Payroll Factor, review percent.	Correct the computation or review the entries that are used in the computation.
4050	Form S-Corp-A, line 3a Sales Factor, Column 1 (Everywhere) must be greater or equal to Column (NM).	Correct the computation or review the entries that are used in the computation.
4055	Form S-Corp-A, line 3 Sales Factor, review percent.	Correct the computation or review the entries that are used in the computation.
4060	Form S-Corp-B, line 1 Net non-business dividends, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
4065	Form S-Corp-B, line 2 Net non-business interest, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
4070	Form S-Corp-B, line 3 Net non-business rents, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
4075	Form S-Corp-B, line 4 Net non-business royalties, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
4080	Form S-Corp-B, line 5 Net non-business profit sale of assets, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
4085	Form S-Corp-B, line 6 Net non-business profit sale of assets, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.

Error Code	Subchapter S Corporation (S-Corp) 2014 Error Description for Software User	Corrective Action for Software User
4090	Form S-Corp-B, line 7 Other net non-business income, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
4095	Form S-Corp-B, line 8 Total allocated income lines 1-7, Column 1 (Everywhere) is calculated incorrectly.	Correct the computation or review the entries that are used in the computation.
4096	Form S-Corp-B, line 8 Total allocated income lines 1-7, Column 1 (Everywhere) must match S-Corp-1 line 7.	Correct the field by matching S-Corp-B, line 8 Total allocated to Schedule S-Corp A, line 5.
4100	Form S-Corp-B, line 9 Total allocated income lines 1-7, (NM) is calculated incorrectly.	Correct the field by matching S-Corp-B, line 8 Total allocated to Schedule S-Corp A, line 5.
4101	Form S-Corp-B, line 9 Total allocated income lines 1-7, (NM) must match S-Corp-1 line 11.	Correct the field by matching S-Corp-B, line 9 Total allocated income lines 1-7, NM to Schedule S-Corp-1, line 11.
4170	Form S-Corp-A election effective date must be earlier than timestamp of return.	Correct this entry by reviewing and updating the election effective date.

The following table shows the current **Pass-Through Entity (PTE) 2014** error codes. Updates to error codes are provided as modifications take place.

Error Code	Pass-Through Entity (PTE) 2014 Error Description for Software User	Corrective Action for Software User
0	This software program is not approved for submissions with this form type and form year.	Contact your software developer.
2000	Form PTE-A, line 1a Property Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2005	Form PTE-A, line 1b Property Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2010	Form PTE-A, line 1c Property Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2015	Form PTE-A, line 1d Property Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.

Error Code	Pass-Through Entity (PTE) 2014 Error Description for Software User	Corrective Action for Software User
2020	Form PTE-A, line 1e Total Property, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2025	Form PTE-A, line 1e Total Property lines 1-7, Column 1 (Everywhere), review sum.	Correct the computation or review the entries that are used in the computation.
2030	Form PTE-A, line 1e Total Property lines 1-7, Column 1 (NM), review sum.	Correct the computation or review the entries that are used in the computation.
2035	Form PTE-A, line 1 Property Factor, review percent.	Correct the computation or review the entries that are used in the computation.
2040	Form PTE-A, line 2a Payroll Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2045	Form PTE-A, line 2 Payroll Factor, review percent.	Correct the computation or review the entries that are used in the computation.
2050	Form PTE-A, line 3a Sales Factor, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2055	Form PTE-A, line 3 Sales Factor, review percent.	Correct the computation or review the entries that are used in the computation.
2060	Form PTE-B, line 1 Net non-business dividends, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2065	Form PTE-B, line 2 Net non-business interest, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2070	Form PTE-B, line 3 Net non-business rents, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2075	Form PTE-B, line 4 Net non-business royalties, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2080	Form PTE-B, line 5 Net non-business profit sale of assets, Column 1 (Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2085	Form PTE-B, line 6 Net non-business partnership income, Column 1(Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.
2090	Form PTE-B, line 7 Other net non-business income, Column 1(Everywhere) must be greater or equal to Column 2 (NM).	Correct the computation or review the entries that are used in the computation.

Error Code	Pass-Through Entity (PTE) 2014 Error Description for Software User	Corrective Action for Software User
2095	Form PTE-B, line 8 Total allocated income lines 1-7, Column 1(Everywhere), review sum.	Correct the computation or review the entries that are used in the computation.
2100	Form PTE-B, line 9 Total allocated income lines 1-7, Column 2 (NM), review sum.	Correct the computation or review the entries that are used in the computation.
2105	Form PTE-1, line 4 Total lines 1-2, review sum, must be greater than what is shown on Form RPD-41367.	Correct the computation or review the entries on Form RPD-41367 that are used in the computation.
2110	Form PTE-1, line 9 Total lines 6-8, review sum.	Correct the computation or review the entries that are used in the computation.
2115	Form PTE-1, line 11 Allowable deductions from Schedule K, must be greater than or equal to zero.	Correct the computation or review the entries that are used in the computation.
2120	Form PTE-1, line 12 Allocated income, if present, must match PTE-B, line 8, Column 1 (Everywhere).	Correct the field by matching PTE-1, line 12 Allocated income to PTE-B, line 8, Column 1 (Everywhere).
2125	Form PTE-1, line 13 Apportionable income, line 9 less sum lines 10-12, review sum.	Correct the computation or review the entries that are used in the computation.
2130	Form PTE-1, line 14 Average NM percentage, if greater than or less than 100%, must match PTE-A line 5.	Correct the field by matching PTE-1, line 14 Average NM percentage to PTE-A, line 5.
2135	Form PTE-1, line 15 NM Apportionable income, multiply line 13 by line 14, review.	Correct the computation or review the entries that are used in the computation.
2140	Form PTE-1, line 16 NM allocated income, if present, must match PTE-B line 9, Column 2 (NM).	Correct the field by matching PTE-1, line 16 NM allocated income to PTE-B, line 9, Column 2 (NM).
2145	Form PTE-1, line 17 Total NM net income lines 15-16, review sum.	Correct the computation or review the entries that are used in the computation.

The following table shows the current **Pass-Through Entity Detail Report (PTW-D, RPD-41367) 2014** error codes. Updates to error codes are provided as modifications take place.

Error Code	Pass-Through Entity Detail Report (PTW-D, RPD-41367) 2014 Error Description for Software User	Corrective Action for Software User
0	This software program is not approved for submissions with this form type and form year.	Contact your software developer.

Error Code	Pass-Through Entity Detail Report (PTW-D, RPD-41367) 2014 Error Description for Software User	Corrective Action for Software User
5000	Form PTW-D, need to specify the program.	Specify the program.
5005	Form PTW-D, the year is not valid.	Correct the field by entering a valid year.
5010	Form PTW-D, line 4 Withholding tax passed to owners must not exceed line 3 Total withholding.	Correct the computation or review the entries that are used in the computation.
5015	Form PTW-D, line 6, Total withholdings less sum lines 4 and 5, review sum.	Correct the computation or review the entries that are used in the computation.
5020	Form PTW-D, line 9, Total due is sum lines 6, 7, and 8, review sum.	Correct the computation or review the entries that are used in the computation.
5025	Form PTW-D, line 3, Total withholdings are less than or greater than the sum of Column 4 Owner's share withholding tax.	Correct the computation or review the entries that are used in the computation.