



# **2018 Tax Preparer's Guide**

**For**

# **Income Tax Returns**

January 25, 2019

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

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# INTRODUCTION

On January 28, 2019, the New Mexico Taxation and Revenue Department (TRD) begins the 2018 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 e-file their clients' returns in the most efficient, cost-effective way possible.

## What's New

This section summarizes the latest information about new initiatives, the cooperative e-filing effort called Federal/State Electronic e-file (Fed/State), Taxpayer Access Point (TAP), and recent legislation.

### Message From TRD

As part of the New Mexico Taxation and Revenue Department's security measures to protect taxpayers against identity theft related to refund fraud, tax returns require the taxpayer's driver license or state identification number, the state that issued it, and the issue date, or the word "NONE" in this field. If this required information is left blank, the Department considers the return incomplete and will not process the return.

### Important Information Regarding Exemptions

Monetary deduction amounts for personal exemptions are suspended for tax years 2018 through 2025 by the Federal Tax Cuts and Jobs Act. The amount on PIT-1, Line 13 is zero (0) until the expiration date. Although taxpayers can't claim a monetary deduction amount for exemptions, eligibility remains important for determining who may claim credits and other tax benefits on PIT-1 and other required forms and attachments. The total on PIT-1, Line 5 is used to make these determinations and includes the taxpayer, spouse if filing a joint return, qualifying dependents and qualifying other dependents.

New Mexico uses the same definitions and qualifications as the IRS to determine if someone in the household is a dependent or other dependent. See Form 1040 Instructions for definitions for 2018 at [www.irs.gov](http://www.irs.gov).

### Important Information Regarding W-2s

When you submit a paper income tax return, you must also attach W-2s and other income and withholding information that show New Mexico income and tax withheld. If this information is not attached to return, the taxpayer will receive a re-computation letter. The taxpayer will have to file an amended return on TAP at <https://tap.state.nm.us> or on paper Form PIT-X.

### Truncated Taxpayer Identification Numbers (TTIN)

According to [Internal Revenue Bulletin 2014-31](#), the IRS "authorizes filers of information returns to truncate a payee's or other person's nine-digit identifying number on payee statements and certain other documents. The goal of these amendments is to reduce the risk of identity theft that may stem from the inclusion of a taxpayer's entire identifying number on a payee statement or other document."

However, a TTIN may not be used on any return, statement, or other document that is required to be filed with or furnished to the IRS. TRD has adopted this practice for New Mexico tax returns as well.

TRD stresses the importance of only sending "government copy" tax returns without the use of TTIN or the returns will be rejected.

"Client copy" returns with TTIN are for taxpayers to save for their records and not intended for submission to TRD.

## **E-File And E-Pay Options Include Business Income Taxes**

TRD collaborates with a limited set of third-party tax preparation software developers to develop e-file and e-pay for business income tax returns through Fed/State. You may now e-file and e-pay the following 2018 New Mexico business income tax forms through third-party tax software:

- Corporate Income and Franchise Tax
- Fiduciary Income Tax
- Sub-Chapter S Corporate Income and Franchise Tax
- Pass-Through Entity Information Report
- Form RPD-41367, Annual Withholding of Net Income from a Pass-Through Entity Detail Report (PTW)

## **Accessing E-File And E-Pay Services**

TRD's e-file and e-pay services let taxpayers and tax preparers use the TRD Internet website to electronically complete and submit 2018 New Mexico income tax returns. Visit the TAP website at <https://tap.state.nm.us>. You may also use the website to amend returns.

Effective July 10, 2015, taxpayers can e-file and e-pay for these programs:

- Combined Reporting System (CRS)
- Combined Fuel Tax (CFT)
- Corporate Income Tax (CIT)
- Fiduciary Income Tax (FID)
- International Fuel Tax (IFTA)
- Liquor Excise Tax (LIQ)
- Oil and Gas Proceeds (OGP-D)
- Pass-Through Entity (PTE)
- Pass-Through Entity Withholding (PTW-D)
- Personal Income Tax (PIT)
- S-Corporate Income and Franchise Tax (S-Corp)
- Weight Distance Tax and Permits (WDT)
- Workers' Compensation Fee (WKC)

Effective July 10, 2015, taxpayers may view and pay for:

- Alternative Fuels Excise Tax (AFT)
- Bingo and Raffle Tax (BRT)
- Cigarette Tax (CIG)
- Conservation Tax (CNS)
- E911 Services Surcharge (911)

- Gaming Manufacturer and Distributor Tax (GMD)
- Gaming Operator Tax (GMO)
- Local Liquor Excise Tax (LLQ)
- Private Railroad Car Tax (PRC)
- Resource Excise Tax (RES)
- Severance Tax (SEV)
- Telecommunications Relay Service Surcharge (TRS)
- Tobacco Products Tax (TPT)
- Water Conservation Fee (H2O)

## Tax Law Changes

For details about New Mexico tax law changes enacted during 2018, see Publication B-100.31, *Legislative Summary 2018*. 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](http://www.tax.newmexico.gov) and click **FORMS & PUBLICATIONS**. Then click the **Publications** folder, **Bulletins, 100 Series-General Information**.

## 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 e-file returns and e-pay tax payments. **TRD encourages all taxpayers and tax preparers to e-file and e-pay whenever possible.** E-file provides the fastest turnaround for a refund and saves tax dollars. E-file and e-pay are fast, safe, and secure. See *Benefits Of E-File and E-Pay* on page 15.

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

## Where To Get Forms

You can download paper forms, instructions, and publications from the TRD website at <http://www.tax.newmexico.gov/forms-publications.aspx>. You can also get forms, instructions, and publications from your local district office. For the location of local district offices, see page 5.

## Combined Federal/State Electronic Filing Program

You may purchase or access e-file and e-pay third-party software to complete tax returns on personal computers and submit the return to TRD through 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](http://www.irs.gov).

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

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

# Important Dates For Filing 2018 PIT Returns

If your due date falls on a Saturday, Sunday, or legal holiday, the due date is delayed until the next business day. Your return is considered filed on time if the envelope is properly addressed, postmarked, and deposited in the mail by the due date.

Filing 2018 PIT Returns	Dates
2018 forms and instructions posted to the Internet	January 4, 2019
Begin transmitting state returns through TAP website	January 18, 2019
Begin transmitting Fed returns to IRS	January 28, 2019
Begin transmitting State returns to NM (New Mexico will not follow IRS begin date for TY2018)	<b>(TO BE ANNOUNCED)</b>
Due date for paper 2018 PIT return (calendar-year filers)	April 15, 2019
Due date for e-file and e-pay 2018 PIT return (calendar-year filers)	April 30, 2019
Federal automatic extension due date (calendar-year filers)	October 15, 2019
Due date for paper 2018 PIT return (fiscal-year filers)	15 <sup>th</sup> day of the fourth month after fiscal year end
Due date for e-file and e-pay 2018 PIT return (fiscal-year filers)	Last day of the fourth month after fiscal year end
Last day to transmit Fed/State returns to IRS/New Mexico	October 31, 2019

Estimated Tax Due Dates for Calendar-Year Filers	
1 <sup>st</sup> Quarter	April 15, 2019
2 <sup>nd</sup> Quarter	June 15, 2019
3 <sup>rd</sup> Quarter	September 15, 2019
4 <sup>th</sup> Quarter	January 15, 2020

## 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

Forms, instructions, publications, general information and brochures are available on the Department's Internet home page at <http://www.tax.newmexico.gov/forms-publications.aspx>.

### General Subject Emails

To send an email to TRD, go to [www.tax.newmexico.gov](http://www.tax.newmexico.gov) and click **CONTACT US**. Under **Send Us A Message**, enter your information, click the **Choose Subject** arrow, and select your subject. Under **Comments**, write your message and then click **Submit** to send your email directly to a subject matter expert.

## Automated Payment And Refund Information System

You can use our new automated payment and refund information system to make a payment over the phone or request the status of a refund. Call (505) 841-6352 or toll free (866) 285-2996.

## Questions About Returns, Instructions, And Refunds

For personal income tax questions, send email to [TRD-TaxReturnHelp@state.nm.us](mailto:TRD-TaxReturnHelp@state.nm.us) or call (505) 841-6352, call toll free (866) 285-2996, or call or visit your local district office. For district office locations and phone numbers see the next table.

For corporate, pass-through entity, or fiduciary tax questions, send email to [cit.taxreturnhelp@state.nm.us](mailto:cit.taxreturnhelp@state.nm.us) or call (505) 827-0825 in Santa Fe or toll free (866) 285-2996, 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	(575) 524-6225
Roswell District Office Taxation and Revenue Department 400 North Pennsylvania, Suite 200 P.O. Box 1557 Roswell, NM 88202-1557	(575) 624-6065

## Emails For Tax Policy Questions, TAP Help, And Forms

- Policy-related questions or questions about the interpretation of New Mexico tax statutes or regulations: [Policy.Office@state.nm.us](mailto:Policy.Office@state.nm.us)
- TAP technical issues: [TRD-TAP-TechnicalHelp@state.nm.us](mailto:TRD-TAP-TechnicalHelp@state.nm.us)
- General help with TAP e-file and e-pay: [TRD-TaxReturnHelp@state.nm.us](mailto:TRD-TaxReturnHelp@state.nm.us)
- Forms and instructions related questions: [NMTax.Forms@state.nm.us](mailto:NMTax.Forms@state.nm.us)

## Getting The Status Of A Refund

Refund status is available after refunds are processed. To get the status of your refund, do one of the following:

- Go to <https://tap.state.nm.us>, under **PERSONAL INCOME** click **Where's My Refund?** To see the status, you need to select your ID Type (either ITIN or Social Security #) and the refund amount.

**NOTE:** You don't need to register for a login in TAP to check the status.

- Log in to your TAP account to get more information.

If you don't see the status of your refund using these methods, check the expected processing times listed next and try again later:

- Generally, electronically filed returns claiming a refund are processed in 6-8 weeks.
- TRD processes paper returns and applications for tax refunds within 8-12 weeks.

If the time has passed for your refund to be processed, and you still can't see the status of your refund, call us at (866) 285-2996 option 1, or toll free at (866) 809-2335.

**IMPORTANT:** TRD has substantially increased its enforcement efforts to combat identity theft and refund fraud. This enhanced review process could increase the time it takes to process your tax refund, and additional documentation may be required from you to verify your refund claim. Thank you for your patience and cooperation with our efforts to protect your identity and your tax dollars.

## Managing Accounts Through TAP

New Mexico's TAP is a secure resource that lets taxpayers check the status of tax accounts, make payments, change addresses, and register businesses. To access TAP, go to <https://tap.state.nm.us>.

Access to certain services in TAP requires you to register for a login user name, 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), ITIN, or 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 records.

## PIT RETURN INFORMATION

The next part of this guide gives information about PIT returns only.

## Tax Preparer E-Filing Requirements

Paid tax practitioners who prepare more than 25 New Mexico PIT 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 PIT 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 when filed. E-file a return at <https://tap.state.nm.us> or transmit it through the Internet using an approved software that participates in the Combined Federal/State Electronic Filing Program.

A taxpayer whose return is prepared may waive the preparer's requirement to file by electronic media. The preparer must have on file a signed Form RPD-41338, *Taxpayer Waiver for Preparers Electronic Filing Requirement*, **and** must mark the box in the **Paid preparer's use only** section of the return to indicate the form is on file. RPD-41338 is available at TRD's Forms and Publication page at <http://www.tax.newmexico.gov/forms-publications.aspx>. Please to do not submit this form to TRD. This form must be kept in the preparer's files for up to 3 years.

**A tax return preparer** is a person who prepares New Mexico PIT 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 Tax Identification Number (PTIN) to identify the tax return preparer.

**TRD-approved electronic media** includes an e-filed New Mexico PIT return or a paper submission with a 2D barcode printed on Form PIT-1. The 2D barcode contains the taxpayer's tax return information and is captured electronically. Due to the decline of use for PIT returns in industry, TRD will be phasing out the applicability and testing of 2D barcodes beginning TY2019.

For questions about the tax preparer requirement, go to [www.tax.newmexico.gov](http://www.tax.newmexico.gov), click **TAX PROFESSIONALS**, then **E-FILING MANDATES**, and then **Overview**.

## Tax Preparer 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 don't charge for preparing tax returns don't 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 isn't required to have a New Mexico CRS identification number isn't 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.

# Tax Preparer Detection And Disclosure of Suspicious Activity

This section gives guidelines for reporting tax fraud and describes the three ways to report tax fraud.

## Guidelines For Reporting Tax Fraud

Your tips are important. By helping us crack down on tax fraud, you help make sure everyone in New Mexico pays their fair share of taxes. Those taxes pay for the public services our state provides.

## Three Ways To Report Tax Fraud

You can report tax fraud using any of these ways:

- Call the 24-hour New Mexico Tax Fraud Hotline at (866) 457-6789.
- Send an email to [Tax.Fraud@state.nm.us](mailto:Tax.Fraud@state.nm.us).
- Download the [Fraud Information Report](#) . Complete the form and mail or fax it to:

New Mexico Taxation and Revenue Department  
Tax Fraud Investigations Division  
P.O. Box 8487  
Albuquerque, NM 87198  
Fax Number: (505) 841-5581

To report federal tax fraud to the [Internal Revenue Service](#), call their hotline at (800) 829-0433.

Please include as much information as you can to assist in investigating any complaint of tax fraud.

In the course of tax return preparation, a tax return preparer, as defined in IRC (Internal Revenue Code) Section 7701(a)(36), may use any tax return information provided by a taxpayer, whether in and for the current year or prior years, for the purpose of identifying a suspicious or potentially fraudulent return from or related to that taxpayer. For these purposes, tax return information means any and all documents or materials provided by the taxpayer or required by the taxing authority that the tax preparer uses in the course of return preparation and submission.

TRD requests tax return preparers to report suspicious activity as soon as possible, but not later than within a week of detection of the suspicious activity. Timely reporting helps prevent tax fraud.

Additionally, information about the use of systems and software and about transmission of an e-filed tax return is disclosed to TRD. This information helps identify suspicious activity and fraudulent returns.

## 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
- E-files any return, 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 a levy is authorized by TRD

Upon conviction, criminal penalty may be imposed of not more than \$5,000 or imprisonment of not less than 6 months or more than 3 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. For paper returns, TRD sends these returns back to the taxpayer without processing. For electronic submissions, the return will stay in the system in error without being processed.

TRD issues refunds from error-free, e-filed returns within 6-8 weeks of TRD's receipt. When the return information requires manual review, refunds may be delayed longer. Refunds for paper returns may be delayed for up to 12 weeks.

Generally, delays occur because return information is incomplete, incorrect, or doesn't match information in our records. It's important to follow the directions for the return, complete all required fields, check your figures, include all required schedules, and make sure the return is legible.

## Reasons For Delays And Other Common Errors

- Driver license or state identification number field left blank. If taxpayer does not have one, the word "NONE" must be entered in this field.
- Missing attachments and supporting documents. When you submit a paper income tax return, you must also attach W-2s and other supporting documentation required by instruction.  
**NOTE:** Income and withholding information isn't included in forms with 2D barcode.
- An incorrect mailing address. The taxpayer's address on the return must be **correct** and **current**.
- Incorrect or missing SSN or ITIN. TRD sends these returns back to the taxpayer without processing.

- 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.
- Claiming a rebate or credits on Schedule PIT-RC, but not answering the qualifying questions required in Section I.
- Payments reported on the return that don't match payments in the TRD system.
- A poor-quality printed form.
- Failure to report all income from lines 1 to 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.

## Other Reasons For Delays And More Common Errors

- 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.
- Providing an incorrect mailing address.
- Not answering all questions to request a Refund Express direct deposit.
- When a paper return doesn't include a 2D barcode, tax preparers not marking the box to indicate they have an RPD-41338 on file. Pursuant to the tax preparer e-filing mandate, TRD may impose a \$5 penalty.
- Paid tax preparers not completing the **Paid preparers use only** section on PIT-1, page 2.
- Paid tax preparers not entering their complete PTIN in 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. If you enter direct deposit information on the return and print the return without refreshing it, the direct deposit information isn't added to the barcode.
- Submitting forms from a software product that are drafts or unapproved.
- Electronically altering or photo shopping a barcode for a different year.
- If the medical expense deduction doesn't further reduce a taxpayer's taxable income, reporting the medical expense deduction on the return delays the taxpayers refund. TRD staff review all medical expense deductions.

If TRD needs additional information to resolve a question or error on the return, TRD may contact the taxpayer or paid tax preparer directly.

## Amended PIT Returns

Any changes to New Mexico taxable income, credits, or rebates, and changes to federal taxable income require an amended New Mexico PIT 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.

When filing an amended return, you must also attach all required schedules (such as PIT-S, PIT-ADJ, PIT-RC, PIT-B, PIT-CR, and PIT-D), even if the amounts did not change from the originally filed return. When you submit an amended paper income tax return, you must also attach other supporting documentation required by instruction.

**NOTE:** Unless you're amending your New Mexico return to change the amount of withholding reported, you don't need to file forms W-2 and similar information forms.

## Approved Software

TRD approves companies that follow specifications and format requirements for e-filing or reproducing a paper 2018 New Mexico income tax form. Acceptance of the software company doesn't 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 e-filing the PIT-1 return and/or printing the PIT-1 return with or without a 3 of 9 or 2D barcode. See *Using Barcodes* on page 14.

To see the list of approved vendors and software companies, visit TRD's website at <http://www.tax.newmexico.gov/Tax-Professionals/software-developers.aspx>. Under the Helpful Documents section, click on *Approved Software for Online Filing 2018 Income Tax Forms*.

## 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 three 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 get authorization, the taxpayer must complete Form ACD-31102, *Tax Information Authorization*, or provide a similar document satisfying all three listed requirements. 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 isn't a party to RALs. RALs are contracts between taxpayers and lenders.

The TRD acknowledgement that a taxpayer's return is accepted for processing isn't 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 doesn't guarantee a specific date of refund issuance or the issuance of the anticipated refund amount and doesn't 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 PIT returns. Tax practitioners must do the following:

- Maintain the **most current version** of the third-party software used to prepare and e-file all New Mexico returns.
- 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 to e-file.
- Be alert to suspicious e-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 don't choose direct debit.
- Retain records of returns for three years.
- Identify the paid preparer in the appropriate fields of the paper or e-file return.
- Furnish the taxpayer with copies of the signed Form PIT-8453, *Individual Income Tax Declaration for Electronic Filing and Transmittal*, Forms W-2 and 1099, and any other documents the taxpayer included with the return as supporting material for the taxpayer's records.
- Monitor e-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 of forms and substitute forms, quality standards required for forms, and barcodes.

**NOTE:** When you submit a paper income tax return, you must also attach 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 before use. TRD reserves the right to reject substitute forms that don't meet TRD requirements.

For *General Specifications for the Reproduction of New Mexico State Tax Forms*, go to the TRD website at <http://www.tax.newmexico.gov/Tax-Professionals/software-developers.aspx>.

Under the Helpful Documents section, click *Approved Software for Reproducing 2018 Income Tax Forms*. This is a list of form vendors and software developers approved to reproduce New Mexico state tax forms.

## Quality Standards For 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. Don't submit a photocopy of forms provided by TRD, whether obtained directly from TRD or downloaded from the TRD 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, it can print a quality tax form. Never submit a photocopy of a form the software generates.

## Don't Alter The Form In Any Way

A TRD-supplied or approved form altered by a taxpayer or tax preparer may be rejected.

- Don't alter a form's title to indicate the next year. For example, don't change the tax year of a form from 2017 to 2018. Don't use a 2017 income tax form to file a 2018 tax return because TRD can't process them.
- Don't cut a form except where specifically shown to cut. On most payment vouchers, you're specifically directed to cut the form before submitting it to TRD with the payment. **Cut the form only on the dotted line.**

- Don't submit forms with watermarks. Some examples of watermarks are **Do Not File** and **Pending Approval**. These software companies have not passed all TRD requirements and testing.
- When payment vouchers contain a scanline, don't 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 isn't low, which results in a faded print image. Don't 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 PIT forms. All principal forms and schedules 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.

This is an example, not the actual size, of a form barcode.



The PDF417 or 2D barcode prints only on PIT-1, page 2, under the form barcode. This is an example, not the actual size, of a 2D barcode.



The 2D barcode is optional for the PIT form. The 2D barcode contains the taxpayer's return information, directly uploaded from the entries on the form.

If the 2D barcode isn't read because printer considerations weren't followed when printing the form, TRD routes the form for manual data entry which causes a delay 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, don't handwritten those changes on the form. Handwritten changes are not recorded in the 2D barcode. It's important to go back into the software product, make the changes, and then reprint the form so the 2D barcode contains your changes.

## ABOUT E-FILING

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

### Benefits Of E-File And E-Pay

E-file and e-pay are fast, safe, and secure. They minimize errors and delays associated with manual handling and data entry of tax forms. E-file and e-pay save tax dollars. And an e-file return can't be lost in the mail. E-filed 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:** E-filing returns isn't 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, the due date for calendar-year filers who **e-file and e-pay is April 30, 2019**. No penalty and interest are due before this date. The filing deadline for paper 2018 PIT returns and payments is April 15, 2019.

TRD continues to offer Refund Express and e-pay services to taxpayers and tax professionals who use Fed/State electronic filing and TRD's e-file and e-pay. Refund Express and e-pay 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. TRD can't accept a payment for tax due from a savings account.

### Qualifying As A Software 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're approved in time before the tax filing season begins. Additionally, a software provider must complete an annual *Letter of Intent (LOI)/Operating and Non-Disclosure Agreement*. The LOI is necessary for approval to file a New Mexico PIT return through the IRS-approved Fed/State software program and to reproduce New Mexico tax forms.

To register to become an authorized IRS e-file provider, go to the IRS website at [www.irs.gov](http://www.irs.gov) and click **e-Services for Tax Professionals**. For more information about e-filing and forms development, please view *General Specifications And Approval Procedures For the Reproduction of New Mexico State Tax Forms* on the TRD website at <http://www.tax.newmexico.gov/Tax-Professionals/software-developers.aspx>.

## **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 PIT return and its schedules through a third-party software program, you may be required to provide TRD additional documentation to support a claim for a deduction, credit, or rebate. New Mexico PIT returns are now supported in MeF, the new Fed/State e-file format, so you can submit the additional documents with the electronic return if your software supports attachments. In that 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 don't need to mail these forms.

### **E-Filing Through The TRD Website**

When e-filing a 2018 New Mexico PIT return and its schedules through the TRD website, and if you're required to provide additional backup documentation to support a claim for a deduction, credit, or rebate, you can provide the backup documentation to us through e-file transmission. The TRD web application guides you through the attachment process.

### **Mailing Backup Documentation And PIT-8453**

The paid tax preparer, ERO, or transmitter who e-files 2018 PIT returns through the Federal/State e-file program (a third-party software program), may now be able to attach or include supporting documentation with the electronic file. If all supporting documents are submitted with the electronic file, form PIT-8453 is NOT required to be submitted to the Department.

Those who e-file returns through TAP are instructed by the program when required to complete and submit Form PIT-8453.

If all supporting documents can't be submitted with the electronic file, mail PIT-8453 with the required 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

**NOTE:** Don't include PIT-1 or Schedules PIT-S, PIT-ADJ, PIT-RC, PIT-B, PIT-D, or PIT-CR.

## **Acknowledgements Of Receipt Of The Return**

Returns e-filed through TAP 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 e-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 you use to e-file the return provides instructions for how to review acknowledgements from TRD.

# APPENDICES

This section contains reject and error codes for PIT, CIT, S-Corp, PTE, PTW and FID electronic tax returns. This information is provided to assist in troubleshooting why a tax return is rejected during e-filing. Check the error codes you are receiving against these appendices, correct the error, and resubmit the electronic return. If you are still unable to successfully submit the electronic return, please contact the New Mexico MeF Team at [TRD-MEInfo@state.nm.us](mailto:TRD-MEInfo@state.nm.us) for assistance.

[Appendix 1 Fed/State Individual Reject And Error Codes](#)

[Appendix 2 Fed/State C Corporate Reject And Error Codes](#)

[Appendix 3 Fed/State S Corporate Reject And Error Codes](#)

[Appendix 4 Fed/State Pass-Through Entity Return Reject And Error Codes](#)

[Appendix 5 Fed/State Pass-Through Entity Withholding Detail Reject And Error Codes](#)

[Appendix 6 Fed/State Fiduciary Reject And Error Codes](#)

# Appendix 1

## Fed/State Individual Reject And Error Codes

PIT returns are rejected if they don't conform to specifications. Rejected returns aren't considered as received by TRD, and you must resubmit them before the due date of the return.

The following table shows the current 2018 error codes. Updates to error codes are provided as modifications take place.

<b>Error Code</b>	<b>Personal Income Tax (PIT) 2018 Error Description for Software User</b>
0	This software product not approved for submissions with this form type and form year.
110	Form PIT-1, line 11. Total additions to FAGI has a value, but Sch PIT-ADJ is missing.
115	Form PIT-1, line 15. Total deductions and exemptions from federal income has a value, but Schedule PIT-ADJ is missing.
120	Form PIT-1, line 21. Business related income tax credits applied has a value, but Schedule PIT-CR is missing.
125	Form PIT-1, line 24. Total claimed on rebate and tax credit schedule has a value, but Schedule PIT-RC is missing.
130	Form PIT-1, line 40. Refund voluntary contributions has a value, but Schedule PIT-D is missing.
135	Form PIT-1, line 8. There is a value in number of dependents, but dependent table and/or Schedule PIT-S is missing.
140	Schedule PIT-B, page 1, line 8, column 2. New Mexico business and form income has a value, but Schedule PIT-B, page 2 is missing.
145	Form PIT-1, line 17. New Mexico taxable income must equal the sum of lines 9, 10, and 11, minus the sum of lines 12, 13, 14, 15, and 16. Value must be greater than or equal to zero.
150	Form PIT-1, line 22. Net New Mexico income tax must equal the sum of lines 18 and 19, minus lines 20 and 21. Value must be greater than or equal to zero.
155	Form PIT-1, line 32. Total payments and credits must equal the sum of lines 24 through 31.
160	Form PIT-1, line 38. Tax, penalty, and interest due must equal the sum of lines 33, 34, 36, and 37.
165	Form PIT-1, line 42. Amount to be refunded must equal line 39 minus lines 40 and 41.
170	Schedule PIT-ADJ, line 5, Total additions must equal the sum of lines 1 through 4.
175	Schedule PIT-ADJ, line 22. Total deductions and exemptions must equal the sum of lines 6 through 21.
185	Schedule PIT-RC, line 2d. Value must equal the sum of lines 2b, allowable household members, and 2c, extra exemption(s).
190	Schedule PIT-RC, line 2g. Value must equal the sum of lines 2d, 2e, and 2f.
200	Schedule PIT-RC, line 3. Total must equal the sum of lines 2g and 2h.
205	Schedule PIT-RC, line 12. Modified gross income must equal the sum of lines 4 through 11.
210	Schedule PIT-RC, line 17a. Value must equal the sum of lines 15, property owned, and 16c, property rented.
215	Schedule PIT-RC, line 25. Total rebate and credits claimed must equal the sum of lines 14, 17c, 18c, 22, 23, and 24.

<b>Error Code</b>	<b>Personal Income Tax (PIT) 2018 Error Description for Software User</b>
225	Schedule PIT-D, line 16. Total of voluntary contributions must equal the sum of lines 2 through 15.
230	Schedule PIT-B, page 1, line 9, column 1. Total federal income must equal the sum of column 1, lines 1 through 8.
235	Schedule PIT-B, page 1, line 9, column 2. Total New Mexico income must equal the sum of column 2, lines 1 through 8.
240	Schedule PIT-B, page 1, line 11, column 1. Total federal income must equal column 1, line 9 minus line 10.
245	Schedule PIT-B, page 1, line 11, column 2. Total New Mexico income must equal column 2, line 9 minus line 10.
255	Form PIT 1, line 7. Filing status must be married filing jointly if spouse death date is indicated on Form PIT-1, line 4d.
260	Form PIT 1, line 7. Filing status must be married filing jointly if spouse is reported as member of Indian nation, tribe, or pueblo on Schedule PIT-ADJ, line 10b.
265	Form PIT 1, line 7. Filing status must be married filing jointly if spouse is reported as 100 or older on Schedule PIT-ADJ, line 11b.
275	Form PIT 1, line 7. Filing status must be married filing jointly if spouse is reported as resident of New Mexico on Schedule PIT-RC, line A.
280	Form PIT 1, line 7. Filing status must be married filing jointly if spouse is reported as physically present in New Mexico for at least six months on Schedule PIT-RC, line B.
285	Form PIT 1, line 7. Filing status must be married filing jointly if spouse is reported as NOT eligible to be claimed as a dependent on Schedule PIT-RC, line C.
290	Form PIT 1, line 7. Filing status must be married filing jointly if spouse is reported as NOT an inmate of a public institution on Schedule PIT-RC, line D.
300	Form PIT 1, line 7. Filing status must be married filing jointly if spouse is reported on Schedule PIT-RC, line 2f.
305	Form PIT 1, line 7. Filing status must be married filing jointly if spouse political contribution is reported on Schedule PIT-D, line 10b.
310	Form PIT 1, line 7. Filing status must be married filing jointly if spouse residency period to be reported on Schedule PIT-B, page 1.
315	Filing status must be married filing joint for spouse residency period to be reported on PIT-B.
330	Form PIT 1, line 6a. IF extension of time to file is checked, an extension date must be entered on line 6b.
335	Form PIT-1, line RE 3. Account type must be specified if bank information provided.
336	Form PIT-1, line RE 4. Direct deposit delivery option may not be used if account is specified as existing outside of US.
340	Schedule PIT-ADJ, line 10. If income of a member of New Mexico Indian nation, tribe, or Pueblo is claimed as a deduction, the Indian nation, tribe or pueblo of the taxpayer and spouse (if applicable) must be indicated on lines 10a and 10b.
345	Schedule PIT-ADJ, line 11. If income of persons aged 100 or older is claimed as a deduction, taxpayer and spouse (if applicable) must be indicated as over 100 years of age on lines 11a and 11b.
350	Schedule PIT-ADJ, line 12. If exemption for persons age 65 or older, or blind is claimed, blind/over 65 must be indicated for the taxpayer and spouse (if applicable) on Form PIT-1, lines 1c, 1d, 2c, and 2d.

<b>Error Code</b>	<b>Personal Income Tax (PIT) 2018 Error Description for Software User</b>
355	Schedule PIT-RC, line 2c. If one extra exemption is claimed, EITHER line 1c or 2c must be checked on Form PIT-1. If two extra exemptions are claimed, BOTH line 1c and 2c must be checked on Form PIT-1.
360	Schedule PIT-D, line 10. If value is given for total political party contributions, party choice(s) must be indicated on line 10a and, if applicable, line 10b.
365	Schedule PIT-ADJ, line 5. Total additions must equal Form PIT-1, line 11, total additions to FAGI.
370	Schedule PIT-ADJ, line 22. Total deductions and exemptions must equal Form PIT-1, line 15, total deductions and exemptions from federal income.
375	Schedule PIT-B, page 1, line 14. Value must equal Form PIT-1, line 18, New Mexico tax on New Mexico taxable income.
380	Schedule PIT-CR, line A. Total applied to tax liability due must equal Form PIT-1, line 21, business-related income tax credits applied.
385	Schedule PIT-RC, line 25. Total rebates and tax credits claimed must equal Form PIT-1, line 24, total claimed on rebate and credit schedule.
390	Schedule PIT-D, line 16. Total of voluntary contributions must equal Form PIT-1, line 40, refund voluntary contributions.
395	Form PIT-1, lines 16. If medical care deduction is claimed, line 16a, unreimbursed and uncompensated medical care expenses, must not equal zero.
400	Form PIT-1, line 25. If working families tax credit is claimed, line 25a, federal earned income credit reported on current year federal return, must not equal zero.
405	Form PIT-1, line 18a. If a tax type of "B" is reported, Schedule PIT-B must be present.
406	Form PIT-1, line 18 does not match Sch CC line 3.
410	Schedule PIT-RC, line 16c. Value must equal line 16a multiplied by 0.06.
415	Form PIT-1, line 25. Working families tax credit must equal 10% of line 25a, federal earned income credit reported on current year federal return.
420	Sch PIT-B, line 12 is not correctly computed.
425	Schedule PIT-B, line 14 is not correctly computed. DIVIDE the state percentage on line 12 by 100 and then MULTIPLY by the tax on line 13.
430	Schedule PIT-B, page 2, line 1b. Property Factor must equal line 1a, column 2, average property value in New Mexico, divided by line 1a, column 1, average property value everywhere, multiplied by 100.
435	Schedule PIT-B, page 2, line 2b. Payroll Factor must equal line 2a, column 2, compensation paid by taxpayer in New Mexico, divided by line 2a, column 1, compensation paid to taxpayer everywhere, multiplied by 100.
450	Form PIT-1, line RE1. The routing number is incorrect or invalid.
455	Schedule PIT-RC, line 2h. Value may not be greater than zero if Form PIT-1, line 7 is not 'married filing separately.
460	Form PIT-1, line 7. If filing status is married filing jointly, spouse residency status must be indicated on line 2e.
500	Schedule PIT-B, page 1, line F. If the qualified military service members spouse is checked then Form PIT-1, line 7, filing status must be married filing jointly.
505	Schedule PIT-RC, line 22. If New Mexico child day care credit is claimed, line 20, number of qualified dependents, must not equal zero.

<b>Error Code</b>	<b>Personal Income Tax (PIT) 2018 Error Description for Software User</b>
510	Schedule PIT-RC, line 18c. If additional low income property tax rebate is claimed, then EITHER 18LA or 18SF must be checked.
515	Form PIT-1, line 1f. Date of death for primary taxpayer is invalid.
520	Form PIT-1, line 2f. Date of death for taxpayer spouse is invalid.
525	NM does not support transactions that go out of the United States.
530	Schedule PIT-B, page 1, line 1. Full year residents must allocate the full column 1 amount to NM, column 2, unless they are resident military.
535	Schedule PIT-B, page 1, line 2. Full year residents must allocate the full column 1 amount to NM, column 2, unless they are resident military.
540	Schedule PIT-B, page 1, line 3. Full year residents must allocate the full column 1 amount to NM, column 2, unless they are resident military.
545	Schedule PIT-B, page 1, line 7. Full year residents must allocate the full column 1 amount to NM, column 2, unless they are resident military.
550	Form PIT-1, line 7. If filing status is married filing separately, spouse's SSN must be provided on line 2b.
560	Form PIT-1, line 2c. If spouse is reported as blind, then filing status must be married filing jointly.
565	Form PIT-1, line 2d. If spouse is reported as over 65, then filing status must be married filing jointly.
590	Schedule PIT-RC, line 2e. Value does not correspond to the value on PIT-1, line 1d, primary 65 or over.
595	Schedule PIT-RC, line 2f. Value does not correspond to the value on PIT-1, line 2d, spouse 65 or over.
600	Form PIT-1, line RE3. The State of NM does not allow debiting against savings accounts.
610	The debit date may be no more than 14 days in the past.
620	Claim exceeds the approved amount allowed on the Approved Film Credit PIT-CR Line 18a.
630	Schedule PIT-RC, line 18b. Property tax rebate percentage must be between 35 and 75.
640	Non-IAT transactions requiring payment must have a requested debit date.
645	Schedule PIT-CR, line B. Total portion of tax credits to be refunded must equal Form PIT-1, line 26, refundable business-related income tax credits.
650	Form PIT-1, line 26. If value is given for refundable business-related income tax credits, Schedule PIT-CR must be provided.
655	Schedule RPD-41317, line 3. Portion of total credit available must equal sum of column F from Schedule A.
660	Schedule RPD-41326, line 3. Portion of total credit available must equal sum of column F from Schedule A.
665	Schedule RPD-41329, line 3. Portion of total credit available must equal sum of column F from Schedule A.
670	Schedule PIT-CR, line B. Total portion of tax credits to be refunded must equal sum of column D, amount of credit to refund.
675	Schedule PIT-CR, line A. Total applied to tax liability due must equal sum of column C, amount claimed applied to tax due.
680	Form PIT-1, line 21 cannot exceed tax on line 18 minus line 20, if 18a is type B.

<b>Error Code</b>	<b>Personal Income Tax (PIT) 2018 Error Description for Software User</b>
685	Form PIT-1, line 21. Business related income tax credits applied must not exceed tax on lines 18 plus 19, minus line 20.
690	Worksheet Childcare. The sum of Column G must equal total day care credit available.
695	Schedule PIT-RC, line 19. Value must equal Worksheet Childcare, sum of Column G.
697	Schedule PIT-RC, line 24. Special needs adopted child tax credit must not be greater than \$1000 per dependent (\$500 for MFS filers).
810	Form PIT-1, line 17. New Mexico taxable income does not equal taxable income provided on Taxes Paid to Other States worksheet, line 2, column 1.
812	Form PIT-1, line 18. New Mexico tax on taxable income does not equal value provided on Taxes Paid to Other States worksheet, line 1, column 1.
820	Schedule PIT-B, page 1, line C and D. Spouse residency dates must be within the current tax year.
830	Federal original submission id date cannot be on or before 1/1/1900.
831	State original submission id date cannot be on or before 1/1/1900.
840	Primary's license or state ID expiration date cannot be on or before 1/1/1900.
842	Secondary's license or state ID expiration date cannot be on or before 1/1/1900.
844	Primary's license or state ID issue date cannot be on or before 1/1/1900.
846	Secondary's license or state ID issue date cannot be on or before 1/1/1900.
847	Taxpayer declined to provide Driver's license or State ID number, which is required by the State of NM.
848	Credit for Taxes Paid to Other States Worksheet, line 4 column 1 does not equal column 2.
850	Credit for Taxes Paid to Other States Worksheet, line 4 is greater than line 2.
851	Form PIT-B, page 1, line 11. If tax type B is selected, values must be greater than 0.
852	Child Day Care Worksheet. Number of days in care cannot exceed 365.
853	Form PIT-1, line 20: Cannot claim an amount in taxes paid to other states if non-resident taxpayer.
854	Form PIT-RC, line A: Only line 23 may be claimed if taxpayer or spouse is a non-resident.
855	Form PIT-RC, line 23: Value must be \$1400 if filing separately or \$2800 otherwise.

## Appendix 2

### Fed/State C Corporate Reject And Error Codes

Corporate Income and Franchise tax returns are rejected if they don't conform to specifications. Rejected returns aren't considered as received by TRD, and you must resubmit them before the due date of the return.

<b>Error Code</b>	<b>C Corporate Income Tax (CIT) 2018 Error Description for Software User</b>
0	This software product not approved for submissions with this form type and form year.
335	Entering bank information requires a routing number, account number and you must indicate a saving or checking account.
336	You must answer "No" to the question about accounts located outside the U.S. to receive a direct deposit.
1005	Federal return type cannot be Form 1120S or Form 1065 when filing CIT-1.
1010	CIT-C must be filed if CIT-A filed.
1020	CIT-C must be filed if CIT-B filed.
1030	CIT-A or CIT-B must be filed if CIT-C filed.
1050	Form CIT-1, 6a. Tax year beginning date must match tax year.
1070	Form CIT-1, line F. Accounting method must be cash, accrual, or other.
1075	Form CIT-1, line F1. Must specify a method if other (accounting method) is indicated on line F.
1080	Form CIT-1, line G1. Must give a date when final return reason is checked on line G.
1090	Form CIT-1, line L. CIT-A, line 1. NM net taxable income must be zero if immunity indicated.
1092	Form CIT-1, line L. CIT-A must be filed if immunity indicated.
1095	Form CIT-1, line 1. Taxable income before federal NOL and special deductions must equal line 28 of federal Form 1120.
1110	Form CIT-1, line 3. Federal special deductions must equal line 29b of federal Form 1120.
1115	Form CIT-1, line 4. NM base income must equal line 1a, federal NOL, plus line 2, interest income from muni bonds, minus line 3, federal special deductions.
1120	Form CIT-1, line 7. Subtotal must equal line 4, NM base income, minus the sum of line 5, NM NOL carryover, and line 6, interest from US government obligations..
1125	Form CIT-1, line 8. Deduction for foreign dividends must equal CIT-D, line 5, NM foreign dividend deduction.
1130	Form CIT-1, line 9. NM net taxable income must equal line 7, subtotal, minus line 8, deduction for foreign dividends.
1135	Form CIT-1, line 11. NM percentage should either be 100% OR equal CIT-C, line 5, NM percentage.
1140	Form CIT-1, line 12. NM income tax should equal line 10, tax on NM net taxable income, multiplied by line 11, NM percentage.
1142	Form CIT-1, line 13. Total tax credits applied against tax liability must equal CIT-CR, line A, total applied to tax liability due.
1145	Form CIT-1, line 14. Net income tax must equal line 12, NM income tax, minus line 13, total tax credits applied against tax liability.
1155	Form CIT-1, line 15. Franchise tax must be a multiple of \$50.

<b>Error Code</b>	<b>C Corporate Income Tax (CIT) 2018 Error Description for Software User</b>
1157	Form CIT-1, line 15. Franchise tax must equal franchise tax total in column 4 of section I, consolidated/combined groups list, if either is consolidated or combined is selected under line E, method used to determine NM taxable income.
1160	Form CIT-1, line 16. Total income and franchise tax must equal sum of line 14, net income tax, and line 15, franchise tax.
1162	Form CIT-1, line 17. Amount of current tax year refunds received or overpayments applied to next tax year should only contain a value if an amended return type is indicated on lines 4b, 4c, or 4d.
1165	Form CIT-1, line 18. Tax subtotal must equal line 16, total income and franchise tax, plus line 17, amount of current tax year refunds received or overpayments applied to next tax year.
1167	Form CIT-1, line 19. If total payments value is non-zero, at least one payment type must be checked.
1170	Form CIT-1, line 22. Total payments and tax withheld must equal the sum of line 19, total payments, line 20, NM tax withheld from oil and gas proceeds, line 21, NM tax withheld from pass-through entity.
1175	Form CIT-1, line 23. If line 18, tax subtotal, exceeds line 22, total payments and tax withheld, then tax due must equal line 18 minus line 22.
1180	Form CIT-1, line 26. Total amount due must equal the sum of line 23, tax due, line 24, penalty, line 25, interest.
1182	Form CIT-1, line 27. If line 22, total payments and tax withheld, exceeds line 18, tax subtotal, then overpayment must equal line 22 minus line 18.
1185	Form CIT-1, line 27a. Overpayment applied to tax year liability must be less than or equal to line 27, overpayment.
1190	Form CIT-1, line 27b. Overpayment refunded must equal line 27, overpayment, minus line 27a, overpayment applied to tax year liability.
1195	Form CIT-1, line 28. Total portion of tax credits to be refunded must equal total of CIT-CR, line B, total portion of tax credits to be refunded.
1200	Form CIT-1, line 29. Total refund must equal line 27b, overpayment refunded, plus line 28, total portion of tax credits to be refunded.
1800	Schedule CIT-A, line 5a, column 1. Total average annual value of inventory everywhere, must be greater than or equal to column 2, total average annual value of inventory in New Mexico.
1805	Schedule CIT-A, line 5b, column 1. Total average annual value of real property everywhere, must be greater than or equal to column 2, total average annual value of real property in New Mexico.
1810	Schedule CIT-A, line 5c, column 1. Total average annual value of personal property everywhere, must be greater than or equal to column 2, total average annual value of personal property in New Mexico.
1815	Schedule CIT-A, line 5d, column 1. Total rented property everywhere, must be greater than or equal to column 2, total rented property in New Mexico.
1820	Schedule CIT-A, line 5e column 1. Total property everywhere, must be greater than or equal to column 2, total property in New Mexico.
1825	Schedule CIT-A, line 5e, column 1. Total property everywhere, must equal the sum of lines 5a, 5b, 5c, and 5d, column 1.
1830	Schedule CIT-A, line 5e, column 2. Total property in New Mexico must equal the sum of lines 5a, 5b, 5c, and 5d, column 2.
1835	Schedule CIT-A, line 5. Property factor must equal line 5e, column 2, total property in New

<b>Error Code</b>	<b>C Corporate Income Tax (CIT) 2018 Error Description for Software User</b>
	Mexico, divided by line 5e, column 1, total property everywhere, multiplied by 100.
1840	Schedule CIT-A, line 6a, column 1. Wages, salaries, commissions everywhere, must be greater than or equal to column 2, wages, salaries, commissions in New Mexico.
1845	Schedule CIT-A, line 6. Payroll factor must equal line 6a, column 2, wages, salaries, commissions in New Mexico, divided by line 6a, column 1, wages, salaries, commissions everywhere, multiplied by 100.
1850	Schedule CIT-A, line 7a, column 1. Gross receipts everywhere must be greater than or equal to column 2, gross receipts in New Mexico.
1855	Schedule CIT-A, line 7. Sales factor must equal line 7a, column 2, gross receipts in New Mexico, divided by line 7a, column 1, gross receipts everywhere, multiplied by 100.
1870	Schedule CIT-A, line B. The effective date of election of a special apportionment method must be earlier than date this return is received.
1875	Schedule CIT-A, line 1. NM net taxable income must equal CIT-1, line 9, NM net taxable income.
1877	Schedule CIT-A, line 2. Net allocated income must equal CIT-B, line 8, net allocated income.
1880	Schedule CIT-A, line 3. Apportionable income must equal line 1, NM net taxable income, minus line 2, net allocated income.
1885	Schedule CIT-A, line 4. NM apportioned income must equal line 3, apportionable income, multiplied by line 9, average factor.
1900	The routing number is incorrect or invalid.
1905	Form CIT-1, line RE4. The State of New Mexico does not support transactions that go out of the United States.
1910	The State of NM does not allow debiting against savings accounts.
1915	Debit date may be no more than 14 days in the past.
1920	Transactions requiring payment must have a requested debit date.
2010	Schedule CIT-B, line 1, column 3. Net non-business dividends must equal column 1, gross non-business dividends, minus column 2, related non-business dividends expenses.
2011	Schedule CIT-B, line 1, column 3. Net non-business interest must equal column 1, gross non-business interest, minus column 2, related non-business interest expenses.
2012	Schedule CIT-B, line 1, column 3. Net non-business rents must equal column 1, gross non-business rents, minus column 2, related non-business rents expenses.
2013	Schedule CIT-B, line 1, column 3. Net non-business royalties must equal column 1, gross non-business royalties, minus column 2, related non-business royalties expenses.
2014	Schedule CIT-B, line 1, column 3. Net profit or loss on sale of non-business assets must equal column 1, gross profit or loss on sale of non-business asset, minus column 2, profit or loss on sale of non-business asset related expenses.
2015	Schedule CIT-B, line 1, column 3. Net non-business partnership income must equal column 1, gross non-business partnership income, minus column 2, related non-business partnership income expenses.
2016	Schedule CIT-B, line 1, column 3. Net other non-business income must equal column 1, gross other non-business income, minus column 2, related other non-business income expenses.
2020	Schedule CIT-B, line 1. Non-business dividends. Absolute value of column 3, net amount, must be greater than or equal to absolute value of column 4, NM allocation.
2021	Schedule CIT-B, line 2. Non-business interest. Absolute value of column 3, net amount, must be greater than or equal to absolute value of column 4, NM allocation.

<b>Error Code</b>	<b>C Corporate Income Tax (CIT) 2018 Error Description for Software User</b>
2022	Schedule CIT-B, line 4. Non-business royalties. Absolute value of column 3, net amount, must be greater than or equal to absolute value of column 4, NM allocation.
2030	Schedule CIT-B, line 8. Net allocated income) must equal the sum of column 3, net amount, line 1 through line 7.
2035	Schedule CIT-B, line 9. Net NM allocated income must equal the sum of column 4, NM allocation, line 1 through line 7.
2060	Schedule CIT-C, line 4. Subtotal must equal line 2, net NM allocated income, plus line 3, NM apportioned income.
2065	Schedule CIT-C, line 5. NM percentage must equal line 4, subtotal, divided by line 1, NM net taxable income, multiplied by 100.
2066	Schedule CIT-C, line 5. NM percentage must be between 0 and 100.
2110	Schedule CIT-D, line 2 through line 4, may be non-zero only if separate corporate entity was indicated on Form CIT-1, line E, method used to determine New Mexico taxable income of the corporation.
2130	Schedule CIT-D, line 5. Total NM deduction must equal the sum of line 1 through line 4.
2305	Schedule CIT-CR, line B. Total portion of tax credits to be refunded) must equal the sum of column D, amount of credit to refund, for refundable credit types (F01, R03, and T02) only.
2310	Schedule CIT-CR, line A. Total credits applied to tax liability due must equal the sum of column C, amount claimed applied to tax due, for ALL credit types entered.
4172	Schedule CIT-A, line C. A special method type must be indicated if special apportionment is elected for current tax year.

## Appendix 3

### Fed/State S Corporate Reject And Error Codes

Subchapter S Corporate Income and Franchise Tax returns are rejected if they don't conform to specifications. Rejected returns aren't considered as received by TRD, and you must resubmit them before the due date of the return.

The following table shows the current S Corporate (S-Corp) 2018 error codes. Updates to error codes are provided as modifications take place.

<b>Error Code</b>	<b>S Corporate Income Tax (S-Corp) 2018 Error Description for Software User</b>
0	This software product not approved for submissions with this form type and form year.
130	Schedule S-Corp-A must be filed if Form S-Corp line F indicates immunity from New Mexico taxes.
335	Entering bank information requires a routing number, account number and you must indicate a saving or checking account.
336	You must answer "No" to the question about accounts located outside the U.S. to receive a direct deposit.
1050	Form S-Corp, line 6a. Tax year beginning date must match current tax year.
1120	Form S-Corp, line 1. Income taxable to corporation must equal Schedule S-Corp C, line 4, column 1, total income everywhere.
1135	Form S-Corp, line 3. If New Mexico percentage is not equal to 100, value must equal Schedule S-Corp C, line 5, New Mexico percentage.
1140	Form S-Corp, line 4. New Mexico income tax must equal line 2 multiplied by line 3.
1142	Form SCorp, line 5. Total tax credits applied against income tax liability must equal Schedule S-Corp-CR, line A, total applied to tax liability due.
1145	Form S-Corp, line 6. New Mexico income tax less tax credits must equal line 4 minus line 5.
1155	Form S-Corp, line 7. Franchise tax must be a multiple of \$50.
1160	Form S-Corp, line 8. Total income and franchise tax must be equal line 6, New Mexico income tax less tax credits, plus line 7, franchise tax.
1162	Form S-Corp header, line 9. If refunds and overpayments applied to next tax year is not equal to zero, then line 4b, Amended, must be checked.
1165	Form S-Corp, line 10. Subtotal must equal line 8, total income and franchise tax, plus line 9, refunds and overpayments applied to next tax year.
1168	Form S-Corp, line 14. Withholding passed to owners must not be greater than line 12, tax withheld from oil and gas proceeds, plus line 13, tax withheld from pass-through entities.
1170	Form S-Corp, line 15. Total payments and tax withheld must equal the sum of lines 11 through 13 minus line 14.
1175	Form S-Corp, line 16. Tax due must equal line 10, subtotal, minus line 15, total payments and tax withheld.
1180	Form S-Corp, line 19. Total amount due must equal line 16, tax due, plus line 17, penalty, plus line 18, interest.
1183	Form S-Corp, line 20. Overpayment must be equal to line 15, total payments and tax withheld, minus line 10, subtotal.

<b>Error Code</b>	<b>S Corporate Income Tax (S-Corp) 2018 Error Description for Software User</b>
1185	Form S-Corp, line 20a. Amount of overpayment applied to current tax year tax liability must not be greater than line 20, overpayment.
1190	Form S-Corp, line 20b. Amount of overpayment to be refunded must equal line 20, overpayment, minus line 20a, amount of overpayment applied to current tax year liability.
1195	Form S-Corp, line 21. Total portion of tax credits to be refunded must equal Schedule S-Corp CR, line B, total portion of tax credits to be refunded.
1200	Form S-Corp, line 22. Total refund of overpaid tax and refundable credit due must equal line 20b, amount of overpayment to be refunded, plus line 21, total portion of tax credits to be refunded.
1900	Form S-Corp, line RE1. The routing number is incorrect or invalid.
1905	Form S-Corp, line RE4. The State of New Mexico does not support transactions that go out of the United States.
1910	Form S-Corp, line RE3. The State of NM does not allow debiting against savings accounts.
1915	The debit date given is an invalid value. It must not be more than 14 days earlier than the current date.
1920	Non-IAT transactions requiring payment must have a requested debit date.
2055	Schedule SCorp-C, line 3, column 1. Net recognized built-in gain everywhere must equal federal 1120S Schedule D, line 18.
2060	Schedule S-Corp-C, line 4, column 1. Total income everywhere must equal line 1, capital gains everywhere, plus line 2, passive income everywhere, plus line 3, net recognized built-in gain everywhere.
2061	Schedule S-Corp-C, line 4 column 2. Total New Mexico income must equal line 1, capital gains New Mexico, plus line 2, passive income New Mexico, plus line 3, net recognized built-in gain New Mexico.
2065	Schedule S-Corp-C, line 5. New Mexico percentage must equal line 4, column 2, total New Mexico income, divided by line 4, column 1, total income everywhere, multiplied by 100.
2305	Schedule SCorp-CR line B. Total portion of tax credits to be refunded must equal the sum of column D, amount of credit to refund, for refundable credit types (F01, R03, and T02) only.
2310	Schedule SCorp-CR line A. Total credits applied to tax liability due must equal the sum of column C, amount claimed applied to tax due, for ALL credit types entered.
3005	Schedule S-Corp-1, line 4. Subtotal must equal line 1, ordinary income, plus line 2, other income, plus line 3, interest income from non-New Mexico municipal bonds.
3015	Schedule S-Corp-1, line 8. Apportionable income must equal line 4, subtotal, minus the sum of line 5 through 7.
3020	Schedule S-Corp-1, line 9. Average New Mexico percentage must equal Schedule S-Corp-A, line 5, average New Mexico percentage.
3025	Schedule S-Corp-1, line 10. New Mexico apportionable income must equal line 8, apportionable income, multiplied by line 9, average New Mexico percentage.
3035	Schedule S-Corp-1, line 12. New Mexico taxable income must equal line 10, New Mexico apportionable income, plus line 11, New Mexico allocated income.
4000	Schedule S-Corp-A, line 1a, column 1. Average annual value of inventory everywhere must be greater than or equal to column 2, average annual value of inventory in New Mexico.
4005	Schedule S-Corp-A, line 1b, column 1. Average annual value of real property everywhere must be greater than or equal to column 2, average annual value of real property in New Mexico.

<b>Error Code</b>	<b>S Corporate Income Tax (S-Corp) 2018 Error Description for Software User</b>
4010	Schedule S-Corp-A, line 1c, column 1. Average annual value of personal property everywhere must be greater than or equal to column 2, average annual value of personal property in New Mexico.
4015	Schedule S-Corp-A, line 1d, column 1. Rented property everywhere must be greater than or equal to column 2, rented property in New Mexico.
4020	Schedule S-Corp-A, line 1e, column 1. Total property everywhere must be greater than or equal to column 2, total property in New Mexico.
4025	Schedule S-Corp-A, line 1e, column 1. Total property everywhere must equal the sum of column 1, lines 1a through 1d.
4030	Schedule S-Corp-A, line 1e, column 2. Total property in New Mexico must equal the sum of column 2, lines 1a through 1d.
4035	Schedule S-Corp-A, line 1. Property factor must equal line 1e, column 2, total property in New Mexico, divided by line 1e, column 1, total property everywhere, multiplied by 100.
4040	Schedule S-Corp-A, line 2a, column 1. Total compensation of employees everywhere must be greater than or equal to column 2, total compensation of employees in New Mexico.
4045	Schedule S-Corp-A, line 2, Payroll factor must equal line 2a, column 2, total compensation of employees in New Mexico, divided by line 2a, column 1, total compensation of employees everywhere, multiplied by 100.
4050	Schedule S-Corp-A, line 3a, column 1. Total gross receipts everywhere must be greater than or equal to column 2, total gross receipts in New Mexico.
4055	Schedule S-Corp-A, line 3. Sales factor must equal line 3a, column 2, total gross receipts in New Mexico, divided by line 3a, column 1, total gross receipts everywhere, multiplied by 100.
4060	Schedule S-Corp-B, line 1, column 1. Net non-business dividends everywhere must be greater than or equal to column 2, net non-business dividends in New Mexico.
4065	Schedule S-Corp-B, line 2, column 1. Net non-business interest everywhere must be greater than or equal to column 2, net non-business interest in New Mexico.
4075	Schedule S-Corp-B, line 4, column 1. Net non-business royalties everywhere must be greater than or equal to column 2, net non-business royalties in New Mexico.
4095	Schedule S-Corp-B, line 8, column 1. Total allocated income everywhere must equal the sum of column 1, lines 1 through 7.
4096	Schedule S-Corp-B, line 8, column 1. Total allocated income everywhere must equal Schedule S-Corp-1, line 7, allocated income.
4100	Schedule S-Corp-B, line 9, column 2. Total allocated income in New Mexico must equal the sum of column 2, lines 1 through 7.
4101	Schedule S-Corp-B, line 9, column 2. Total allocated income in New Mexico must equal Schedule S-Corp-1, line 11, New Mexico allocated income.
4170	Schedule S-Corp-A, line A. Effective date of election must be earlier than timestamp of return.
4172	Schedule S-Corp-A, line B. A special method type must be indicated if special apportionment is elected for current tax year.

## Appendix 4

### Fed/State Pass-Through Entity Return Reject And Error Codes

Pass-Through Entity returns are rejected if they don't conform to specifications. Rejected returns aren't considered as received by TRD, and you must resubmit them before the due date of the return.

The following table shows the current Pass-Through Entity (PTE) 2018 error codes. Updates to error codes are provided as modifications take place.

<b>Error Code</b>	<b>Pass-Through Entity (PTE) 2018 Error Description for Software User</b>
0	This software product not approved for submissions with this form type and form year.
2000	Schedule PTE-A, line 1a, column 1. Total average annual value of inventory everywhere must be greater than or equal to column 2, total average annual value of inventory in New Mexico.
2005	Schedule PTE-A, line 1b, column 1. Total average annual value of real property everywhere must be greater than or equal to column 2, total average annual value of real property in New Mexico.
2010	Schedule PTE-A, line 1c, column 1. Total average annual value of personal property everywhere must be greater than or equal to column 2, total average annual value of personal property in New Mexico.
2015	Schedule PTE-A, line 1d, column 1. Total rented property everywhere must be greater than or equal to column 2, total rented property in New Mexico.
2020	Schedule PTE-A, line 1e, column 1. Total property everywhere must be greater than or equal to column 2, total property in New Mexico.
2025	Schedule PTE-A, line 1e, column 1. Total property everywhere must be the sum of column 1, total everywhere, lines 1a through 1d.
2030	Schedule PTE-A, line 1e, column 2. Total property in New Mexico must be the sum of column 2, total in New Mexico, lines 1a through 1d.
2035	Schedule PTE-A, line 1. Property factor must equal line 1e, column 2, total property in New Mexico, divided by line 1e, column 1, total property everywhere, multiplied by 100.
2040	Schedule PTE-A, line 2a, column 1. Wages, salaries, commissions everywhere, must be greater than or equal to column 2, wages, salaries, commissions in New Mexico.
2045	Schedule PTE-A, line 2. Payroll factor must equal line 2a, column 2, wages, salaries, commissions in New Mexico, divided by line 2a, column 1, wages, salaries, commissions everywhere, multiplied by 100.
2050	Schedule PTE-A, line 3a. Gross receipts everywhere must be greater than or equal to column 2, gross receipts in New Mexico.
2055	Schedule PTE-A, line 3. Sales factor must equal line 3a, column 2, gross receipts in New Mexico, divided by line 3a, column 1, gross receipts everywhere, multiplied by 100.
2060	Schedule PTE-B, line 1, column 1. Net non-business dividends everywhere must be greater than or equal to column 2, net non-business dividends in New Mexico.
2065	Schedule PTE-B, line 2, column 1. Net non-business interest everywhere must be greater than or equal to column 2, net non-business interest in New Mexico.

<b>Error Code</b>	<b>Pass-Through Entity (PTE) 2018 Error Description for Software User</b>
2075	Schedule PTE-B, line 4, column 1. Net non-business royalties everywhere must be greater than or equal to column 2, net non-business royalties in New Mexico.
2095	Schedule PTE-B, line 8, column 1. Total allocated income everywhere must equal the sum of column 1, total income everywhere, lines 1 through 7.
2100	Schedule PTE-B, line 9, column 2. Total New Mexico allocated income must equal the sum of column 2, New Mexico income, lines 1 through 7.
2105	Form PTE-1, line 3. Withholding passed to owners must be less than the sum of lines 1, tax withheld from oil and gas proceeds, and line 2, tax withheld on pass-through entity allocable net income.
2107	Form PTE-1, line 4. Subtotal must equal line 1, tax withheld from oil and gas proceeds, plus line 2, tax withheld on pass-through entity allocable net income, minus line 3, withholding passed to owners.
2110	Form PTE-1, line 9. Subtotal must equal line 6, ordinary income, plus line 7, other income, plus line 8, interest income from non-NM municipal bonds.
2115	Form PTE-1, line 11. Allowable deductions from Schedule K, must be greater than or equal to zero.
2120	Form PTE-1, line 12. Allocated income, if present, must equal Schedule PTE-B, line 8, column 1, total allocated income.
2125	Form PTE-1, line 13. Apportionable income must equal line 9, subtotal, minus line 10, interest from US government obligations, plus line 11, allowable deductions from Schedule K, plus line 12, allocated income.
2130	Form PTE-1, line 14. Average New Mexico percentage, if not equal to 100%, must equal Schedule PTE-A, line 5, average New Mexico percentage.
2135	Form PTE-1, line 15. NM apportionable income must equal line 13, apportionable income, multiplied by line 14, average New Mexico percentage.
2140	Form PTE-1, line 16. NM allocated income must equal Schedule PTE-B, line 9, column 2, total New Mexico allocated income.
2145	Form PTE-1, line 17. Total NM net income must equal line 15, New Mexico apportionable income, plus line 16, New Mexico allocated income.
4172	Schedule PTE-A, line B. A special method type must be indicated if special apportionment is elected for current tax year.

## Appendix 5

### Fed/State Pass-Through Entity Withholding Detail Reject And Error Codes

Pass-Through Entity Withholding Detail returns are rejected if they don't conform to specifications. Rejected returns aren't considered as received by TRD, and you must resubmit them before the due date of the return.

The following table shows the current Pass-Through Entity Withholding Detail Report (PTW-D, RPD-41367) 2018 error codes. Updates to error codes are provided as modifications take place.

<b>Error Code</b>	<b>Pass-Through Entity Withholding Detail (PTW-D, RPD-41367) 2018 Error Description for Software User</b>
0	This software product not approved for submissions with this form type and form year.
5000	Form PTW-D. If return type of "other" is selected, reason cannot be blank.
5010	Form PTW-D, line 4. Withholding tax passed to owners must not exceed line 3, total withholding.
5013	Form PTW-D, line 7. Total Payments must equal the sum of line 4, withholding passed to owner, plus line 5, tax paid on form 41355, minus line 6, refunds received.
5015	Form PTW-D, line 8. Tax Due, must equal line 3, total withholding, minus line 7, total payments.
5025	Form PTW-D, line 3. Total withholdings must equal sum of page 2, column 4, owner's share of withholding tax.
5030	Form PTW-D, line 12. Overpayment must equal line 7, total payments, minus line 3, total withholding.

## Appendix 6

### Fed/State Fiduciary Reject And Error Codes

Fiduciary income tax returns are rejected if they don't conform to specifications. Rejected returns aren't considered as received by TRD, and you must resubmit them before the due date of the return.

The following table shows the current Fiduciary Income Tax (FID) 2018 error codes. Updates to error codes are provided as modifications take place.

<b>Error Code</b>	<b>Fiduciary Income Tax (FID) 2018 Error Description for Software User</b>
0	This software product not approved for submissions with this form type and form year.
335	Entering bank information requires a routing number, account number and you must indicate a saving or checking account.
336	You must answer "No" to the question about accounts located outside the U.S. to receive a direct deposit.
1005	Form FID-1 Tax Year Beginning date must match tax year.
1115	Form FID 1, page 1, line 2. Additions to federal income must equal FID-1, page 2, line 3, total additions.
1120	Form FID-1, page 1, line 3. Deductions from federal income must equal FID-1, page 2, line 7, total deductions.
1130	Form FID-1, page 1, line 4. New Mexico taxable income must equal line 1, FAGI, plus line 2, additions to federal income, minus line 3, deductions from federal income.
1135	Form FID-1, page 1, line 6. New Mexico percentage of income must equal Schedule FID-B1, line 16, New Mexico percentage of income.
1140	Form FID-1, page 1, line 7. NM income tax must equal line 5, tax on New Mexico taxable income, multiplied by line 6, New Mexico percentage of income.
1145	Form FID-1, page 1, line 9. Total New Mexico tax must equal line 7, New Mexico income tax, plus line 8, tax on lump sum distributions.
1150	Form FID-1, page 1, line 11. Total credits applied against income tax liability must equal schedule FID-CR, line A, total applied to tax liability due.
1155	Form FID-1, page 1, line 12. Net NM Income tax must equal line 9, total New Mexico tax, minus line 10, credit for taxes paid to other state, plus line 11, total credits applied against tax liability due.
1160	Form FID-1, page 1, line 17. Withholding passed to beneficiaries must be less than or equal to line 15, tax withheld from oil and gas proceeds, plus line 16, tax withheld from pass-through entity.
1165	Form FID-1, page 1, line 18. Total payments and tax withheld must equal sum of lines 13 through 16 minus line 17.
1170	Form FID-1, page 1, line 19. Tax due must equal line 12, net New Mexico income tax minus line 18, total payments and tax withheld.
1175	Form FID-1, page 1, line 22. Total amount due must equal line 19, tax due, plus line 20, penalty, plus line 21 interest.
1180	Form FID-1, page 1, line 23. Overpayment must equal line 18, total payments and tax withheld, minus line 12, net New Mexico income tax.

<b>Error Code</b>	<b>Fiduciary Income Tax (FID) 2018 Error Description for Software User</b>
1185	Form FID-1, page 1, line 23a. Overpayment applied to next year liability must be less than or equal to line 23, total overpayment.
1190	Form FID-1, page 1, line 23b. Overpayment to refund must equal line 23, total overpayment, minus line 23a, overpayment applied to next year liability.
1195	Form FID-1, page 1, line 24. Total portion of tax credits to be refunded must equal Schedule FID-CR, line B, total portion of tax credits to be refunded.
1200	Form FID-1, page 1, line 25. Total refund of overpayment and refundable credit must equal line 23b, overpayment to refund, plus line 24, total portion of tax credits to refund.
1300	Form FID-1, page 2, line 3. Total additions must equal line 1, federal NOL carryover, plus line 2, non-New Mexico municipal bond interest.
1305	Form FID-1, page 2, line 7. Total deductions must equal line 4, New Mexico NOL, plus line 5, interest income from US government obligations, plus line 6, net capital gain deductions.
1400	Schedule FID-B1, line 1, column 3. Net dividends must equal column 1, gross dividends, minus column 2, expenses/distributions.
1405	Schedule FID-B1, line 2, column 3. Net interest must equal column 1, gross interest, minus column 2, expenses/distributions.
1410	Schedule FID-B1, line 3, column 3. Net income must equal column 1, gross income, minus column 2, expenses/distributions.
1415	Schedule FID-B1, line 4, column 3. Net rents and royalties must equal column 1, gross rents and royalties, minus column 2, expenses/distributions.
1420	Schedule FID-B1, line 5, column 3. Net profit or loss must equal column 1 gross profit or loss, minus column 2, expenses/distributions.
1425	Schedule FID-B1, line 6, column 4. New Mexico allocation of net business and farm income must equal column 3, net business and farm income, multiplied by Schedule FID-B2, line 5, average New Mexico percentage.
1430	Schedule FID-B1, line 7, column 3. Net other income must equal column 1, gross other income, minus column 2, expenses/distributions.
1435	Schedule FID-B1, line 8, column 1. Gross total must equal to sum of column 1, gross, lines through 7.
1440	Schedule FID-B1, line 8, column 2. Expenses distribution total must equal sum of column 2, expenses/distributions, lines 1 through 7.
1445	Schedule FID-B1, line 8, column 3. Net total must equal sum of column 3, net, lines 1 through 7.
1450	Schedule FID-B1, line 8, column 4. New Mexico allocation total must equal sum of column 4, allocation to New Mexico, lines 1 through 7.
1455	Schedule FID-B1, line 8a. Allocation percentage must equal line 8, column 4, total allocation to New Mexico, divided by line 8, column 3, total net, times 100.
1460	Schedule FID-B1, line 9, column 4. New Mexico deduction for exemption must equal line 9, column 3, net deduction for exemption, multiplied by line 8a, allocation percentage.
1465	Schedule FID-B1, line 10, column 4. New Mexico deduction for distributions not shown above must equal line 9, column 3, net deduction for distributions not shown above, multiplied by line 8a, allocation percentage.
1470	Schedule FID-B1, line 11, column 4. New Mexico other deductions must equal line 9, column 3, net other deductions, multiplied by line 8a, allocation percentage.
1475	Schedule FID-B1, line 12, column 3. Total net deduction must equal sum of column 3, lines 9 through 11.

<b>Error Code</b>	<b>Fiduciary Income Tax (FID) 2018 Error Description for Software User</b>
1480	Schedule FID-B1, line 12, column 4. Total allocation to NM deduction must equal sum of column 4, lines 9 through 11.
1485	Schedule FID-B1, line 13, column 3. Net taxable income must equal line 8, net total income, minus line 12, net total deduction.
1490	Schedule FID-B1, line 13, column 4. New Mexico allocated taxable income must equal line 8, New Mexico allocated total income, minus line 12, New Mexico allocated total deduction.
1495	Schedule FID-B1, line 15, column 3. Net total income must equal line 13, net taxable income of estate or trust, plus line 14, net income from lump-sum distributions.
1500	Schedule FID-B1, line 15, column 4. New Mexico allocated total income must equal line 13, taxable income of estate or trust, plus line 14, income from lump-sum distributions.
1505	Schedule FID-B1, line 16. NM percentage of income must equal line 15, column 4, New Mexico allocated total income, divided by line 15, column 3, net total income, times 100.
1600	Schedule FID-B2, line 1a, column 1. Average annual value of inventory everywhere must be greater than or equal to line 1a, column 2, average value of inventory in New Mexico.
1605	Schedule FID-B2, line 1b, column 1. Average annual value of real property everywhere must be greater than or equal to line 1b, column 2, average value of real property in New Mexico.
1610	Schedule FID-B2, line 1c, column 1. Average annual value of personal property everywhere must be greater than or equal to line 1c, column 2, average value of personal property in New Mexico.
1615	Schedule FID-B2, line 1d, column 1. Rented property everywhere must be greater than or equal to line 1d, column 2, rented property in New Mexico.
1620	Schedule FID-B2, line 1e, column 1. Total property everywhere must be greater than or equal to line 1e, column 2, total property in New Mexico.
1625	Schedule FID-B2, line 1e, column 1. Total property everywhere must equal the sum of column 1, lines 1a through 1d.
1630	Schedule FID-B2, line 1e, column 2. Total property inside New Mexico must equal the sum of column 2, lines 1a through 1d.
1635	Schedule FID-B2, line 1. Property factor percentage must equal line 1e, column 2, total property inside New Mexico, divided by line 1e, column 1, total property everywhere, times 100.
1640	Schedule FID-B2, line 2a, column 1. Wages, salaries, commissions, everywhere must be greater than or equal to line 2a, column 2, wages, salaries, commissions in New Mexico.
1645	Schedule FID-B2, line 2. Payroll factor percentage equal line 2a, column 2, wages, salaries, commissions inside New Mexico, divided by line 2a, column 1, wages, salaries, commissions everywhere, times 100.
1650	Schedule FID-B2, line 3a, column 1. Gross receipts everywhere must be greater than or equal to line 3a, column 2, gross receipts in New Mexico.
1655	Schedule FID-B2, line 3. Sales factor percentage must equal line 3a, column 2, gross receipts in New Mexico, divided by line 3a, column 1, gross receipts everywhere.
1660	Schedule FID-B2. The effective date of election of a special apportionment method must be earlier than date this return is received.
1670	Schedule FID-B2. A special method type must be indicated if special apportionment is elected for current tax year.
1900	The routing number is incorrect or invalid.
1905	Form FID-1, line RE4. The State of New Mexico does not support transactions that go out of the United States.

<b>Error Code</b>	<b>Fiduciary Income Tax (FID) 2018 Error Description for Software User</b>
1910	The State of New Mexico does not allow debiting against savings accounts.
1915	The debit date may be no more than 14 days in the past.
1920	Non-IAT transactions requiring payment must have a requested debit date.