

State of New Mexico  
Taxation and Revenue Department  
**HEALTH CARE QUALITY SURCHARGE RETURN**

Use this form to report the Health Care Quality Surcharge (HCQ) imposed on skilled nursing facility, intermediate care facility, or intermediate care facility for individuals with intellectual disabilities effective July 1, 2019 and ending January 1, 2023. Health Care Quality Surcharge payments are due quarterly by the twenty-fifth day of the month following the subsequent calendar quarter.

Health Care Quality Surcharge is under an **e-file mandate**. Returns are required to be filed online at <https://www.tap.state.nm.us>.

**Effective Daily Rate** is established by Human Services Department and it may vary from quarter to quarter.

Facility Name	Federal Employer Identification No. (FEIN)	HCQ Account Id No.	DOH No.
Facility Address	City	State	Postal/Zip

Reporting Period: 

Month	Day	Year

 through 

Month	Day	Year

Check if amended

Rate includes exemption

	A. Number of Bed Days	B. Effective Daily Rate	C. Surcharge
1. Health Care Facility (Skilled nursing and Intermediate care) .....	<b>x</b>	=	
2. Disability Health Care Facility (Intermediate care facility for individuals with intellectual disabilities) .....	<b>x</b>	=	
3. Subtotal ..... (Add line 1 column C and line 2 column C, enter amount on this line)			=
4. Penalty .....			+
5. Interest .....			+
6. <b>Total Due</b> .....			=

I declare I have examined this form and to the best of my knowledge and belief, it is true, correct, and complete.	
Authorized signature _____	Date _____
Phone number _____	Email address _____

State of New Mexico  
Taxation and Revenue Department  
**HEALTH CARE QUALITY SURCHARGE INSTRUCTIONS**

**Who must file:** Beginning July 1, 2019 and ending January 1, 2023, the Health Care Quality Surcharge (HCQ) is imposed on skilled nursing facility, intermediate care facility, or intermediate care facility for individuals with intellectual disabilities. Health Care Quality Surcharge payments are due by the twenty-fifth day of the month following the subsequent calendar quarter.

**E-File Mandate:** Effective October 4, 2019, Taxation and Revenue has put in place an e-file mandate for Health Care Quality Surcharge. Returns should be filed using the department's website: <https://www.tap.state.nm.us>.

"Health Care Facility" means a skilled nursing facility, intermediate care facility or intermediate care facility for individuals with intellectual disabilities.

"Intermediate care facility" means a facility with greater than sixty beds and is licensed by the department of health to provide intermediate nursing care.

"Intermediate care facility for individuals with intellectual disabilities" means a facility licensed by the department of health to provide food, shelter, health or rehabilitative and active treatment for individuals with intellectual disabilities or persons with related conditions.

**How to calculate the number of occupied bed days:** The surcharge shall be per day for each non-medicare bed day reported on the most recently filed calendar quarter report. A health care facility shall report to the Human Services Department the number of resident days provided by the health care facility broken down by payer, and the net revenue earned by the health care facility for the calendar quarter prior to the previous quarter.

**The Effective Date of the Health Care Quality Surcharge Rate:** The effective daily rate is established by Human Services Department and it may vary from quarter to quarter. No later than sixty days following the effective date of the Health Care Quality Surcharge Act and by June 1st of each year thereafter, the Human Services Department shall calculate the rate of the surcharge to be paid by each health care facility during the subsequent fiscal year and shall notify the Taxation and Revenue Department and each such health care facility of the applicable rates. The surcharge shall be per day for each non-medicare bed days.

**Completing the Return:** Complete all information on the return using the instructions. Enter the name and mailing address of the health care business. Enter your company's Federal Employer Identification Number (FEIN), Health Care Quality Facility (HCQ) account identification number, and Department of Health (DOH) number. Refer to the **Quarterly Filing Status** at the bottom of this page and enter the dates for the filing period that the tax is being reported (MM/DD/YY). Check the "amended" box if amending a previously filed return. Sign and date the return.

**Line Instructions:**

Line 1. **Health Care Facility (Skilled nursing and Intermediate care).** Enter in the number of bed days in column A. Enter the effective rate in column B. Multiply column A by Column B, enter the final amount in column C.

Line 2. **Disability Health Care Facility (Intermediate care facility for individuals with intellectual disabilities).** Enter in the number of bed days in column A. Enter the effective rate in column B. Multiply column A by Column B, enter the final amount in column C.

Line 3. **Subtotal.** Add line 1 column C, line 2 column C, enter amount in line 3 column C.

Line 4: **Penalty.** Add penalty if the entity fails to file timely or to pay the amount on line 6 when due. Calculate the penalty by multiplying the amount on line 6 by 2%, then by the number of months or partial months for which the return or payment is late, not to exceed 20% of the tax due. Penalty for failure to file or pay on time may not be less than \$5.00.

Line 5: **Interest.** Interest accrues daily on the unpaid principal of tax due, and can change on a quarterly basis. The effective annual and daily interest rates are posted on the Department's website at <http://www.tax.new-mexico.gov/Individuals/penalty-interest-rates.aspx> or can be obtained by contacting the department.

Line 6: **Total due.** Enter the sum of lines 3, 4 and 5. Pay this amount.

Quarterly Filing Status		
Period Begins	Period Ends	Due Date
January 1 <sup>st</sup>	March 31 <sup>st</sup>	July 25 <sup>th</sup>
April 1 <sup>st</sup>	June 30 <sup>th</sup>	October 25 <sup>th</sup>
July 1 <sup>st</sup>	September 30 <sup>th</sup>	January 25 <sup>th</sup>
October 1 <sup>st</sup>	December 31 <sup>st</sup>	April 25 <sup>th</sup>