

## NEW MEXICO TAXATION AND REVENUE DEPARTMENT

**GROSS RECEIPTS TAX RETURN****CONTACTING THE DEPARTMENT****Local Taxation and Revenue Offices**

If you need to visit the Department in person you can visit one of our tax district offices at one of the following locations:

**Albuquerque**

10500 Copper Pointe Avenue NE  
Albuquerque, NM 87123

**Farmington**

3501 E. Main Street, Suite N.  
Farmington, NM 87499-0479

**Las Cruces**

2540 S. El Paseo, Bldg.#2  
Las Cruces, NM 88001-0607

**Roswell**

400 Pennsylvania Ave., Suite 200  
Roswell, NM 88201-1557

**Santa Fe**

1200 South St. Francis Drive  
Santa Fe, NM 87502-5374

**Phone Contact**

You can contact the Department's call center and they can provide full service and general information about the Department's taxes, Taxpayer Access Point (TAP), programs, classes, and forms. They can also provide assistance with information specific to your account including your filing situation, payment plans, and delinquent account information.

**Call Center:** (866) 285-2996.

You may also locate your account information through the Taxpayer Access Point (TAP), <https://tap.state.nm.us>.

**What You Need**

When you call or visit us on the web, make sure to have your New Mexico Business Tax Identification Number (NMBTIN) (previously known as your CRS number), a copy of your tax return, or letter in question.

**Note:** If you are inquiring about a letter please locate the

Letter ID in the top right hand corner to provide to the Department's agent.

**Mailing Address**

If you want to write us about your return, please address your letter to:

Gross Receipts Tax Correspondence  
Taxation and Revenue Department  
P.O. BOX 25128  
Santa Fe, NM 87504-5128

If you are writing in response to a letter, please include the Letter ID in your response.

**Email Contacts**

The Taxation and Revenue Department provides several email contacts for you.

If you have questions about your in-progress Gross Receipts Tax (GRT) return, the instructions, a return you already submitted, or your refund, email: [GRT.TRDHelp@tax.nm.gov](mailto:GRT.TRDHelp@tax.nm.gov).

If you have questions about New Mexico tax law and need additional clarification on statutes and regulations, email: [Policy.Office@tax.nm.gov](mailto:Policy.Office@tax.nm.gov).

**Forms and Instructions**

You can find forms and instructions on our website at [www.tax.newmexico.gov](http://www.tax.newmexico.gov). At the top of the page, click **FORMS & PUBLICATIONS**.

**Online Services**

The TAP website at <https://tap.state.nm.us> is a secure online resource that lets you electronically file your return for free:

- See information about your return, payment, and refund
- Pay existing tax liabilities online
- Check the status of a refund
- Change your contact information
- Register a business

**GENERAL INSTRUCTIONS****GENERAL INFORMATION**

This document provides instructions for the New Mexico Form TRD-41413, *Gross Receipts Tax Return*. Each Form TRD-41413 is due on or before the 25th of the month following the end of the tax period being reported. Certain taxpayers are required to file the Form TRD-41413 electronically. For more information on whether electronic filing is required for your business, please see FYI-108, *Electronic Filing Mandate* which is available through your local district office or online at <https://www.tax.newmexico.gov/forms-publications/>.

**Please Note:** When completing your form, all pertinent columns must be clearly filled out and completed or your Form TRD-41413 may be rejected and returned for correction and will need to be resubmitted.

**Important:** If you will be having another party outside of the taxpayer wanting access to your account, you will need to complete Form ACD-31102, *Tax Information Authorization Disclosure*, which can be located on our website in the "Tax Authorization folder here: <https://www.tax.newmexico.gov/forms-publications/>.

## WHAT TO KNOW AND DO BEFORE YOU BEGIN

### Who Must File A Gross Receipts Tax Return

The gross receipts tax is a tax imposed on persons engaged in business in New Mexico for the privilege of doing business in New Mexico.

“Engaging in business” means carrying on or causing to be carried on any activity with the purpose of direct or indirect benefit. **For those that lack physical presence** in New Mexico, including a marketplace provider, it means having at least \$100,000 of taxable gross receipts sourced to New Mexico in the previous calendar year. See *What is Gross Receipts Tax* below for more information. For more information on **physical presence or nexus**, see our website here: <https://www.tax.newmexico.gov/businesses/determining-nexus/>.

### What is Gross Receipts Tax

“Gross receipts” means the total amount of money or the value of other consideration received from selling property in New Mexico, leasing or licensing property employed in New Mexico, from granting a right to use a franchise employed in New Mexico, performing services in New Mexico or selling research and development services performed outside New Mexico the product of which is initially used in New Mexico.

Gross receipts includes receipts from:

- Sales of tangible personal property handled on consignment;
- Commissions and fees received;
- Amounts paid by members of any cooperative association;
- Fees received by persons for serving as disclosed agents for another;
- Amounts received by persons providing telephone or telegraph services;
- Amounts received by a New Mexico florist from the sale of flowers, plants, etc., that are filled and delivered outside New Mexico by an out-of-state florist;
- Providing intrastate mobile telecommunications services (i.e., the services originate and terminate in the same state) to customers whose place of primary use is in New Mexico; and
- Amounts collected by a marketplace provider engaging in business in the state from sales, leases and licenses of tangible personal property, sales of licenses and sales of services or license for use of real property that are sourced to New Mexico by a marketplace provider on behalf of a marketplace seller(s) regardless if the marketplace seller(s) are engaging in business in New Mexico.

For more detail, see FYI-105, *Gross Receipts & Compensating Taxes: An Overview* available at <https://www.tax.newmexico.gov/forms-publications/> or through your local district office.

### Gross Receipts and Compensating Tax Rate Table

Gross receipts tax is based on municipality/county locations and reported/collected based on location code. The Department releases the *Gross Receipts and Compensating Tax Rate Schedule* semiannually and has the listing of counties, municipalities, location codes for each, and the tax rate. The location codes are used to determine which tax rate should

be used when filing your return. The gross receipts and compensating tax rates can change on January 1 and July 1 of each year, so it is important to check the *Gross Receipts and Compensating Tax Rate Schedule* for new rates located online at <https://www.tax.newmexico.gov/governments/gross-receipts-location-code-and-tax-rate-map/>.

### Location Code and Tax Rate

Gross receipts tax is required to be reported by municipality, county, and location code as described in Section 7-1-14 NMSA as follows:

- B. Reporting location for receipts from the sale, lease, or granting of a license to use real property located in New Mexico and any related deductions shall be the location of the property.
- C. Reporting location for receipts from the sale or license of property, other than real property, and any related deductions, shall be at the following locations:
  - (1) if the property is received by the purchaser at the New Mexico location of the seller, the location of the seller;
  - (2) if the property is not received by the purchaser at a business location of the seller, the location indicated by instructions for delivery to the purchaser, or the purchaser's donee, when known to the seller;
  - (3) if Paragraphs (1) and (2) of this subsection do not apply, the location indicated by an address for the purchaser available from the business records of the seller that are maintained in the ordinary course of business; provided that use of the address does not constitute bad faith;
  - (4) if Paragraphs (1) through (3) of this subsection do not apply, the location for the purchaser obtained during consummation of the sale, including the address of a purchaser's payment instrument, if no other address is available; provided that use of this address does not constitute bad faith; or
  - (5) if Paragraphs (1) through (4) of this subsection do not apply, including a circumstance in which the seller is without sufficient information to apply those standards, the location from which the property was shipped or transmitted.
- D. The reporting location for gross receipts from the lease of tangible personal property, including vehicles, other transportation equipment and other mobile tangible personal property, and any related deductions, shall be the location of primary use of the property, as indicated by the address for the property provided by the lessee that is available to the lessor from the lessor's records maintained in the ordinary course of business; provided that use of this address does not constitute bad faith. The location of primary use shall not be altered by intermittent use at different locations, such as use of business property that accompanies employees on business trips and service calls.
- E. The reporting location for gross receipts from the sale, lease or license of franchises, and any related deductions, shall be where the franchise is used.
- F. The reporting location for gross receipts from the performance or sale of the following services, and any related

deductions, shall be at the following locations:

- (1) for professional services performed in New Mexico, other than construction-related services, or performed outside New Mexico when the product of the service is initially used in New Mexico, the location of the performer of the service or seller of the product of the service, as appropriate;
- (2) for construction services and construction-related services performed for a construction project in New Mexico, the location of the construction site;
- (3) for services with respect to the selling of real estate located in New Mexico, the location of the real estate;
- (4) for transportation of persons or property in, into or from New Mexico, the location where the person or property enters the vehicle; and
- (5) for services other than those described in Paragraphs (1) through (4) of this subsection, the location where the product of the service is delivered.

Using the Out-of-State Location Codes		
88-888	4.875 %	If you are reporting for an out-of-state location for a professional service or shipping goods out-of-state.
77-777	4.875 %	If you are performing research and development services outside NM as a professional service.
If you transact business with tribal non-members on tribal territory, use the tribal location of the sale or delivery. If a tribe, pueblo, or nation has entered into a cooperative agreement with New Mexico they will have a separate location code listed.		

For more detail, see FYI-200, *Gross Receipts Reporting Location and the Appropriate Tax Rate* available online at <https://www.tax.newmexico.gov/forms-publications/> or through your local district office.

## FILING METHODS

### Different Filing Methods

You can file your Gross Receipts Tax Return (TRD-41413) on paper or electronically. Both options are described here to help you choose the most convenient method. The Department asks that the Gross Receipts Tax return be filed online using the Taxpayer Access Point (TAP) whenever possible. TAP is a free online filing option that can be located by going to our website at <https://tap.state.nm.us>.

**Important:** After completing your paper or electronic return, make a copy for your records and keep it in a safe place.

### Electronic Filing and Payment Mandate

Gross receipts tax returns shall be filed electronically if the taxpayer's average monthly tax liability for this tax during the preceding calendar year equaled or exceeded \$1,000.

For taxpayers with an average monthly tax liability for gross receipts tax during the preceding calendar of \$1,000 or more, shall be remitted by electronic means. The following electronic methods of remitting tax payments will be accepted: credit card, ACH debit, and ACH credit. For more information see FYI-401, *Special Payment Methods* located on our website here: <https://www.tax.newmexico.gov/forms-publications/> in the "Publications" folder.

For more information about filing electronically see the next section *Filing Methods*.

### Getting Ready to File

Follow these steps before you start filling out your TRD-41413, *Gross Receipts Tax Return*:

1. Collect all forms and schedules you are required to file, publications you need to reference, and all your tax records.

For a description of different forms and schedules, see *Required Forms and Attachments* starting on page 4 of these instructions. To find out where to get the forms and sched-

ules you need, see *Contacting the Department* on page 1.

2. Read the next section, *Valid Identification Number Required*, to learn about New Mexico Business Tax Identification Number (NMBTIN), Federal Employer Identification Number (FEIN), Social Security Numbers (SSN) and Individual Taxpayer Identification Numbers (ITIN).

### Benefits of Filing Electronically

The Department encourages you to file electronically whenever possible. Electronic filing is fast, safe, secure, and it provides these benefits:

- Filing is free on the Department website.
- File return, pay, and request a refund.
- View all letters sent by the Department.
- View your account and see if there are any missing returns or payments.
- You can speak with an agent while viewing your account and they can walk you through using TAP or any notifications you may be seeing on your account.
- You can also provide third-party access to your accountant to be able to complete returns, file, and pay your tax due.
- The state saves tax dollars in processing costs and results in faster processing times for returns and payments submitted to the Department.

### Using The Department Website, Taxpayer Access Point (TAP)

To file your return on the Department website, follow these steps:

1. Logon or create a TAP account at <https://tap.state.nm.us>.
2. Select **Gross Receipts Tax (GRT)**.
3. Within the Return Panel Select **File Now**.
4. After you complete all your entries, check the Signature box, then click **Submit** to file.
5. Select **OK** in the Confirmation box to continue.
6. Select **Print Confirmation Page** showing your confirma-

tion number as proof and verification that you filed online.

7. Select **Print Return** to print a copy of your return for your records.
8. Click **Print** to print a copy of your return for your records.

**Important:** Do not mail the confirmation page or the return you filed online to the Department. Mailing in the return can cause processing issues.

If you need assistance filing your return on TAP, you can email, [GRT.TRDHelp@tax.nm.gov](mailto:GRT.TRDHelp@tax.nm.gov) or you can call the Call Center at: (866) 285-2996.

For help with TAP, email: [TAP.TechnicalHelp@tax.nm.gov](mailto:TAP.TechnicalHelp@tax.nm.gov).

### Where To Get Paper Tax Forms

Gross Receipts Tax forms and schedules can be filled out by hand and mailed to the Department. You can get these tax forms from any district office, request they be mailed to you or by downloading them from the Department website.

#### In Person

Ask for forms at the Department's local district offices. Use **CONTACTING THE DEPARTMENT** information listed on page 1 of these instructions.

#### Downloading Forms and Instructions

To download tax forms, follow these steps:

1. Go to [www.tax.newmexico.gov](http://www.tax.newmexico.gov).
2. At the top of the webpage, click **FORMS & PUBLICATIONS**.

3. Locate the folders toward the bottom of the page, click the **Business Taxes** folder.

4. Click on the **Gross Receipts Tax** folder.

#### Check the Print Quality

Make sure the printer can clearly print a logo. If it can, it will print a quality tax form. It is important to use an original. Never submit a return with a form that has been **photocopied** or **photo shopped** as it will not be accepted by our processing machines.

#### Valid Identification Number Required

Enter your business name and New Mexico Business Tax Identification Number (NMBTIN) on all forms, schedules, and correspondence you send to the Department. The Department cannot accept a return without a valid identification number.

#### \*\*\*Important Guidelines\*\*\*

Review the following items before making your entries:

- Complete all required information on your form. Failure to do this delays processing your return and may cause errors when the Taxation and Revenue Department performs calculations during processing.
- Leave blank all spaces and boxes that do not apply to you. Do not draw lines through or across areas you leave blank.
- Write numbers clearly and legibly to reduce processing errors and increase efficiency. Use the boxes on the form as a guide for your handwritten entries.
- Do not use dollar signs (\$) or any punctuation marks or symbols other than a comma (,).

## REQUIRED FORMS AND ATTACHMENTS

### TRD-41413 Followed by Forms and Attachments Submit in This Order

- TRD-41413, *Gross Receipts Tax Return*.
- Schedule A, if required.
- Schedule CR, if required.
- Supplemental Schedule CR, if required.
- GRT-PV, if required.
- RPD-41071, *Application for Refund*, if required.
- Other required schedules or attachments.

#### TRD-41413 Required

**Every person** required to file a New Mexico gross receipts tax return must complete and file a TRD-41413 *New Mexico Gross Receipts Tax Return*.

#### Schedule A

Use the Schedule A, *New Mexico Gross Receipts Tax Schedule A* if additional space is needed to report gross receipts from multiple locations. Include this page with the TRD-41413 Form.

#### Schedule CR

Use the Schedule CR, *New Mexico Business-Related Tax Credit Schedule*. Attachments for each credit are required. The attachments are specified next to each credit on this form.

If you will be claiming a refundable credit you will also need to submit **RPD-41071, *Application for Refund***.

**Important:** If you believe you may qualify for business tax credits please see the **FYI-106, *Claiming Business-Related Tax Credits for Individuals and Business***

#### Supplemental Schedule CR

If you are claiming more than 20 credits, also file Supplemental Schedule CR, *Gross Receipts Tax Business-Related Tax Credit Supplemental Schedule CR*. Attachments for each credit are required. The attachments are specified next to each credit type on this form See credits table, *Attachments Required to Claim Schedule CR Business-Related Tax Credits* on page 5.

#### Payment Voucher

If making a payment, place the payment and voucher at the front of the return, in this order.

- Payment (check or money order)
- GRT-PV Payment Voucher

When paying by check or money order, make sure to indicate the correct filing period of the return to which you want the payment to apply. The Department supports the fast and secure filing of electronic payments.

To print copies of vouchers, go to <http://www.tax.newmexico.gov>. At the top of the page, click **FORMS & PUBLICATIONS** then select the following items in this order:

- **Business Taxes**
- **Gross Receipts Tax** and then click **Payment Voucher**

### GRT-PV, Gross Receipts Tax Payment Voucher

If your return shows a balance due and you choose to pay by mail or delivery to one of our local offices, you must complete the GRT-PV payment voucher and include it with your check or money order. Also include GRT-PV when submitting your payment with your paper return. **Important:** On all checks and money orders, write your New Mexico Business Tax Identification Number (NMBTIN) (previously known as your CRS number), **GRT-PV**, and the filing period.

### Amended Return

Any change to New Mexico gross receipts, exemptions, deductions, or credits require an amended TRD-41413. When filing an amended return mark the amended box on your return clearly. You will file this return as if it is an original return and must submit all required forms that apply to your TRD-41413.

**Note:** Do not enter only supplemental amounts on the return.

If you will be requesting a refund of taxes previously paid or you have a refundable credit you will need to submit **RPD-41071, Application for Refund** with supporting documentation.

### RPD-41071, Application for Tax Refund

This form will need to be submitted with your return if you determine that a refund is due on your account. You can also submit an application for a Tax Refund for gross receipts tax online through your taxpayer access point (TAP) account.

For the information required on an application for refund and what needs to be submitted please see *Refunds* on page 13.

### Other Forms That May Be Needed

This section describes forms that are related to TRD-41413 that you may need.

Notify the Department of a change to your business:

- **ACD-31015, Business Tax Registration Application and Update Form**

If you need anyone to have access to your account information the following form will need to be submitted to the Department:

- **ACD-31102, Tax Information Authorization Tax Disclosure**

If you are required to file an electronic return but you are unable to file electronically complete and submit the applicable form below:

- **RPD-41350, E-file and E-Pay Exception Request**
- **RPD-41351, E-File and E-Pay Waiver Request**

If you are eligible for the food deduction under Section 7-9-92 NMSA 1978 and you are a new filer in New Mexico or you are unable to see the deduction in TAP please submit the following form:

- **RPD-41295, Application for NM Retail Food Store Certification**

If you are a marketplace provider please see the form below:

- **TRD-31117, Marketplace Provider Data Sharing Agreement**

<b>Attachments Required to Claim Schedule CR Business-Related Tax Credits</b>	
<b>To Claim These Gross Receipts Tax Schedule CR Credits</b>	<b>Attach Gross Receipts Tax Business Related Tax Credit Schedule CR and these items</b>
Affordable Housing Tax Credit	RPD-41301, <i>Affordable Housing Tax Credit Claim Form</i> , and a copy of voucher(s) issued by Mortgage Finance Authority (MFA).
<del>Advanced Energy Tax Credit</del>	<del>RPD-41334, <i>Advanced Energy Tax Credit Claim Form</i>. Repealed July 1, 2023.</del>
Alternative Energy Tax Credit	RPD-41331, <i>Alternative Energy Product Manufacturers Tax Credit Claim Form</i>
Biodiesel Blending Facility Tax Credit	RPD-41321, <i>Biodiesel Blending Facility Tax Credit Claim Form</i>
High-wage Jobs Tax Credit	RPD-41290, <i>High-Wage Jobs Tax Credit Claim Form</i>
Investment Tax Credit	RPD-41212, <i>Investment Credit Claim Form</i>
Laboratory Partnership with Small Business Tax Credit	RPD-41325, <i>Application For Laboratory Partnership With Small Business Tax Credit</i>
Rural Job Tax Credit	RPD-41243, <i>Rural Job Tax Credit Claim Form</i> .
Technology Readiness Gross Receipts Tax Credit	RPD-41407, <i>Technology Readiness Gross Receipts Tax Credit Application</i>
Technology Jobs And Research And Development Tax Credit	RPD-41386, <i>Technology Jobs And Research and Development Tax Credit Claim Form</i> .
Unpaid Doctor Services Credit	RPD-41323, <i>Gross Receipts Tax Credit for Certain Unpaid Doctor Services</i>

## WHEN AND WHERE TO FILE AND PAY

### When and Where to File

File your return as soon as you have all the necessary information. Each Form TRD-41413 is due on or before the 25th of the month following the end of the tax period being reported. If you file or pay late, you may need to pay interest and penalties. See *Interest and Penalties* on page 13. If the date falls on a weekend, a legal, state or national holiday, your Form TRD-41413 and payment due date will be extended to the next business day.

**Important:** If you file your return electronically either through TAP or a third-party **do not** submit a paper return. The duplicate return will slow down processing.

### Filing Periods and Due Dates

These dates should be selected based on your filing status. Your filing status can be located on your Registration Certificate received from the Department. The filing frequency will be monthly, quarterly or semiannually.

MONTHLY FILING STATUS**		
BEGINNING	ENDING	DUE DATE*
January 1	January 31	February 25
February 1	February 28 or 29	March 25
March 1	March 31	April 25
April 1	April 30	May 25
May 1	May 31	June 25
June 1	June 30	July 25
July 1	July 31	August 25
August 1	August 31	September 25
September 1	September 30	October 25
October 1	October 31	November 25
November 1	November 30	December 25
December 1	December 31	January 25
QUARTERLY FILING STATUS		
BEGINNING	ENDING	DUE DATE*
January 1	March 31	April 25
April 1	June 30	July 25
July 1	September 30	October 25
October 1	December 31	January 25
SEMI-ANNUAL FILING STATUS		
BEGINNING	ENDING	DUE DATE*
January 1	June 30	July 25
July 1	December 31	January 25

**\*\*Monthly Filing Status** If you are a seasonal, temporary, or special event filer use the monthly filing status. These filing frequencies allow for businesses that do not do regular business in New Mexico to file a singular return for the time period that business was conducted in New Mexico.

### Electronic Returns and Payments

If you have an electronic filing requirement, you must file electronically. See FYI-108, *Electronic Filing Mandate* for more information. You can file the return and pay at different times but different penalty and interest may apply if you miss the due date of the return. No Penalty will be imposed for reporting and paying early.

✦ **TAP TIP:** TAP will allow you to file online as of the first day of the filing period. You must acknowledge that you are aware you are filing a return for a period that has not ended yet.

### Paper Returns To Mail

File paper returns no later than the deadline of **25th** of the month following the end of the tax period being reported. No Penalty will be imposed for reporting and paying early.

### Determining a Timely Mailing Date for Paper Returns

If the U.S. Postal Service postmark on the envelope bears a date on or before the due date, a mailed New Mexico gross receipts tax return and tax payment are timely. If the due date falls on a Saturday, Sunday, or a state or national legal holiday, the tax return is timely when the postmark bears the date of the next business day.

If the date recorded or marked by a private delivery service is on or before the due date, delivery through a private delivery service is timely.

### Where To Mail Paper Returns and Payments

Mail refund requests and returns to:

Gross Receipts Tax Correspondence  
Taxation and Revenue Department  
P.O. BOX 25128  
Santa Fe, NM 87504-5128

### How To Pay

Select the most convenient way to pay your taxes. You can pay with an electronic check, a credit card, a paper check, or a money order. See *Paying Your Taxes* on page 12.

### Mailing a Payment and Voucher

Do the following when mailing any payment by check or money order:

- Make it payable to New Mexico Taxation and Revenue Department.
- Write your New Mexico Business Tax Identification Number (NMBTIN), **GRT-PV**, and the filing period on it.
- Mail the voucher with your payment.

### Payment Vouchers for TRD-41413

Whether you submit your payment with or without your tax return, complete *GRT-PV, Gross Receipts Tax Payment Voucher* and submit it with your payment.

## LINE INSTRUCTION

### What To Do Next

Fill in your return using the line instructions that start on this page. When you finish filling in your TRD-41413, see *Before Filing Your Return* on page 13.

### Top of Page 1

The top section of TRD-41413, page 1 gathers all your business information. Please be sure to fill out all applicable fields. Incomplete fields may result in processing delays.

### New Mexico Business Tax Identification Number (NMBTIN)

This number was issued to you by the New Mexico Taxation and Revenue Department and can be located on your Registration Certificate. **Note:** This number was previously referred to as the combined reporting system number or CRS ID.

### No New Mexico Business Tax Identification Number?

If you do not have NMBTIN, apply for one using the **ACD-31015, Business Tax Registration Application and Update Form**. DO NOT file a return unless you have a NMBTIN issued by the Department. Filing a return without this number could result in a lost return or misapplied payment.

### Federal Employer Identification Number (FEIN)

This number is issued by the Internal Revenue Service. If you have a FEIN associated to your business please add your FEIN here. If you do not have a FEIN leave this field blank. One reason you may not have a FEIN number is that your business is a sole proprietorship.

### Social Security Number (SSN)

Clearly enter your name and social security number (SSN) if your NMBTIN is associated with your SSN.

### Business Name

Clearly print the name of the business associated with the New Mexico Business Tax Identification Number (NMBTIN).

### New or Changed Address Check Box

If the mailing address has changed or is a new address please mark X in this box. This will allow for your address to be updated in the Department's system. If you need to change your address for all of your business accounts please complete and submit the **ACD-31015, Business Tax Registration Application and Update Form**.

### Mailing address, City, State, Postal/ Zip Code

Enter your mailing address here. If you have a new or changed mailing address please select the check box above. See above for more information.

If you have a foreign address, enter the street address, city name and postal code in the appropriate line. Also complete the spaces for the foreign province and/or state and country. Follow the country's practice for entering the foreign postal code, the province or state, and country. Do not abbreviate the country name. If your address is located within the United States of America leave these boxes blank.

### E-mail address

Enter the e-mail address you would like the Department to use to contact you if there are any questions about the return you are submitting.

### Phone Number

Enter the phone number you would like the Department to use to contact you if there are any questions about the return you are submitting.

### Tax Period

These dates should be selected based on your filing status. Your filing status can be located on your Registration Certificate received from the Department. The filing frequency will be monthly, quarterly or semiannually. Use the format MM/DD/CCYY. The dates should match your filing status. See table on page 6.

### Amended Return

Check the box above only if you are amending over your original return. Be sure to fill out this return as it should have been originally filed for the specified Tax Period. The amended return will override all information reported on your original return. Do not enter only supplemental amounts on the amended return.

If you fail to check the amended box this will cause processing errors. If your Amended Return does not have the box checked it will delay posting of the return or it may cause the return to be rejected.

**Important:** If your amended return will result in an overpayment on your account, you must submit a RPD-41071, *Application for Refund*. In order for the Department to validate the overpayment and issue a refund all required documents must be provided.

## COLUMNS A THROUGH H

### Column A. Municipality/County Name

On separate lines, enter the name of each municipality or county where you have a gross receipts tax to report. Refer to the *Gross Receipts and Compensating Tax Rate Schedule*, <https://www.tax.newmexico.gov/governments/gross-receipts-location-code-and-tax-rate-map/>.

Effective July 1, 2021, gross receipts are reported using destination-based sourcing. This means that gross receipts, with some exceptions, will generally be reported under the location code where the customer is located. Prior to July 1, 2021, New Mexico gross receipts were reported using origin-based sourcing rules. This meant that gross receipts were reported at the location of the business address, with the exception of construction, real estate sales, utilities, or tribal agreements. More information can be located under *Location Code and Tax Rate* on page 2.

Certain situations or types of receipts require a special notation in Column A that has no relation to a county, municipality or other physical location, refer to table T1.

F. In *Column F* the taxpayer would put the same amount listed in *Column D*. In *Column G* and *Column I* that taxpayer would enter Zero as instructed in table T3.

T1. Special Notations	
Out-of-State	Use when an in state rate does not apply. See below and table T2 Out-Of-State Codes for more information.

**Column B. Location Code**

Enter the Location Code from the current *Gross Receipts and Compensating Tax Rate Schedule*, <https://www.tax.newmexico.gov/governments/gross-receipts-location-code-and-tax-rate-map/>. Make sure that the location code corresponds with the municipality or county you listed in Column A.

When applicable, use one of the out-of-state special locations and/or deduction codes listed in table T2.

T2. Out-of-State Codes		
88-888	4.875 %	If you are reporting for an out-of-state location for a professional service or shipping goods out-of-state.
77-777	4.875 %	If you are performing research and development services outside NM as a professional service.

**Column C. Special Rate Code**

Enter the alpha Special Rate Code from table T3. These codes are account specific. Do not use these codes unless they apply to your tax situation. These codes alert the Department's computer system to a special rate, distribution, or reporting requirement that may apply to your industry or to the type of deduction being reported.

♦ **TAP TIP:** These special rates codes are granted based on the information provided to the Department on your ACD-31015, *Business Tax Registration Application and Updates Form*. If you can not see these in TAP and need them, please submit an updated ACD-31015.

**Note:** Manufacturers who have entered into a Form RPD-41377, *Manufacturers Agreement to Pay Gross Receipts Tax on Behalf of a Utility Company* for Certain Utility Sales with a utility company must use the special rate codes listed in table T4.

**Important:** A separate row is needed for gross receipts associated with Special Rate Codes (not the rate listed for the Municipality/County). Do not combine receipts calculated under the regular rates from the *Gross Receipts and Compensating Tax Rate Schedule*.

**Example 1** (Column C): Taxpayer has gross receipts in the Albuquerque to report under the Medical Special Rate Code "M". The taxpayer will review the *Gross Receipts and Compensating Tax Rate Schedule* to locate the *Municipality/County* (Albuquerque) and the *Location Code* (02-100), these are entered in Column A and Column B of the return. The taxpayer would enter the "M" code under *Column C. Special Rate*. The taxpayer would continue to *Column D*, then *Column*

T3. Special Rate Codes		
A	Local Economic Development Act (LEDA)	Only qualifying entities under Section 5-10-14 NMSA 1978 use this special rate code. For more information on who qualifies for the special rate code please refer to the Local Economic Development Act Fund Section 5-10-14 NMSA 1978.
F	Food Retailers	Only food retailers reporting deductible receipts under Section 7-9-92 NMSA 1978 need to use this special code. For more information on who qualifies, please see FYI-201. When using this special code, be sure to indicate zero in Columns G and I for the respective line. <b>Note:</b> Do NOT claim this deduction for federal food stamp sales paid for with food cards. Not all food retailers qualify for the special code "F" deduction.
M	Certain Health Care Practitioners	Only licensed health care practitioners or an association of health care practitioners reporting deductions under Section 7-9-93 NMSA 1978 use this special code. For more information on who qualifies for the special code "M" deduction, see FYI-202. When using this special code, be sure to indicate zero in Columns G and I for the respective line. <b>Note:</b> Do not use the special code in Column B for other receipts reported by licensed health care practitioners. Use a separate line for other types of medical-related deductions. <b>Co-payment or deductible</b> (7-9-93(B)). Starting July 1, 2023, and prior to July 1, 2028, receipts from a co-payment or deductible paid by an insured or enrollee to a health care practitioner or an association of health care practitioners for commercial contract services pursuant to the terms of the insured's health insurance plan or enrollee's managed care health plan may be deducted from gross receipts.
NH	Sales by a Nonprofit hospital	"Nonprofit hospital" means a hospital that has been granted exemption from federal income tax by the United States commissioner of internal revenue as an organization described in Section 501(c)(3) of the Internal Revenue Code. Rate of 4.875%. (7-9-41.5)

T4. Manufactures Agreement Special Rate Codes		
E	Certain Sales of Electricity to a Manufacturer	Please refer to FYI-275 for detailed special reporting requirements for qualified transactions that require the use of this special code. When using this special code, be sure to indicate zero in Columns G and I for the respective line.
G	Certain Sales of Natural Gas to a Manufacturer	Please refer to FYI-275 for detailed special reporting requirements for qualified transactions that require the use of this special code. When using this special code, be sure to indicate zero in Columns G and I for the respective line.
W	Certain Sales of Water to a Manufacturer	Please refer to FYI-275 for detailed special reporting requirements for qualified transactions that require the use of this special code. When using this special code, be sure to indicate zero in Columns G and I for the respective line.
O	Certain Sales of Other Utilities to a Manufacturer	Please refer to FYI-275 for detailed special reporting requirements for qualified transactions that require the use of this special code. When using this special code, be sure to indicate zero in Columns G and I for the respective line.

tax is \$342.50 and the tax rate is 8.1875%. The taxpayer would back out the tax by dividing 342.50 by 1.081875, the answer is 316.580001... (round this number to the nearest cent). The gross receipts **excluding** tax would be \$316.58. This is the amount the taxpayer would put in Column D.

**Important:** A separate row is needed for gross receipts associated with special rates or separately reported deductions (required or optional).

**Column E. Deduction Code**

When using deduction codes, the gross receipts and deduction associated with amounts that have deduction codes that are \*required\* to be reported will have to be reported on a separate line. All other deductions can be claimed together on one line by leaving column E blank and filling in Column F with the deduction dollar amount, see the fourth line on Example 3 below. See **Example 3** at the bottom of this page.

Required to be reported separately by statute: Deductions that have a separate reporting requirement (D0) can be located on page 10, see on table **T5. Deductions Requiring Separate Reporting**.

All other deductions that are available for New Mexico gross receipts tax that are not required to be separately reported are reported only in column F as a dollar amount. For a list of these deductions see **T6. Other New Mexico GRT Deductions** starting on page 14 or the FYI-105, *Gross Receipts & Compensating Taxes - An Overview*.

**COLUMN F. Deduction Amount**

All deductions are to be reported in this column. Deductions must be supported by Nontaxable Transaction Certificate (NTTC), alternative evidence, statute, or regulation.

If you complete this column, Column E must have a deduction code for special rate codes and deductions required to be separately reported, see instructions for Column E above. If you are reporting a special rate code please refer to the instructions for Column C.

**Note:** If you are claiming multiple deductions that require separate reporting (Column E) the associated location code, gross receipts, and deduction for each will have to be reported on a separate line. See example 3.

**Column D. Gross Receipts (excluding Tax)**

The amounts in Column D should be the gross receipts amount **excluding** the tax associated with those receipts. This includes taxable gross receipts and deductible gross receipts. **Note:** In order to report this correctly you may need to back the tax out. See **Example 2** on this page.

$$\text{Gross Receipts Including Tax} \div 1.0(\text{insert tax rate without the decimal})$$

**Example 2** (Column D): Taxpayer’s gross receipts including

**Example 3** (Column E): Taxpayer A has gross receipts tax (GRT) for Santa Fe City and Santa Fe County - Remainder of County. They have 1 required D0- deduction code and 2 deductions that fall under deductions that are not required to be separately reported and 1 special rate code applicable to their monthly gross receipts. Taxpayer A will report as follows:

Col. A	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I
Muni/County	Location Code	Special Rate Code	GR (exclude Tax)	Deduction Code	Deduction Amount	Taxable GR	Tax Rate	GRT Due
Santa Fe	01-123	M	12,500		12,500	0		0
Santa Fe	01-123		16,000	D0-010	16,000	0	8.1875%	0
Santa Fe	01-123		10,500		10,500	0	8.1875%	0
SF R. of Co.	01-001		31,500		10,000	21,500	6.8750%	1,478.13

**Important:** Deductions are not the same as business expenses. Do not include business expenses on your Gross Receipts Tax Return as business expenses are not deductible or exempt from gross receipts tax.

A taxpayer must maintain in their possession a nontaxable transaction certificate (NTTC), other acceptable alternative

evidence or documentation for each deduction claimed in this column. Deductions cannot exceed the gross receipts reported in Column D for that same location.

For a listing of available deductions, please see FYI-105: *Gross Receipts & Compensating Taxes - An Overview*, available at your local district office or online at <https://www.tax.newmexico.gov/forms-publications/>

## REQUIRED DEDUCTION CODES

<b>T5. Deductions Requiring Separate Reporting</b>		
D0-001	Uranium Hexafluoride (7-9-90)	If you sell uranium hexafluoride and your receipts are deductible under Section 7-9-90.
D0-002	Manufacturing - Ingredient (7-9-46(A))	If you sell tangible personal property to a manufacturer who incorporates the property as an ingredient or component part of a manufactured product and your receipts are deductible under Section 7-9-46(A).
D0-003	Manufacturing - Consumed (7-9-46(B))	If you sell tangible personal property that is a manufacturing consumable and your receipts are deductible under Section 7-9-46(B).
D0-004	Converting Electricity (7-9-103.1)	If you transmit electricity and provide ancillary services and your receipts are deductible under Section 7-9-103.1.
D0-005	Electricity Exchange (7-9-103.2)	If you operate a market or exchange for the sale or trade of electricity and your receipts are deductible under Section 7-9-103.2.
D0-006	Sale of Ag Implement or Aircraft 50% (7-9-62(A))	If you sell agricultural implements, vehicles or aircraft and your receipts 50% can be deducted under Section 7-9-62(A).
D0-007	Sale of Aircraft or Flight Support (7-9-62(B))	If you sell aircraft, provide flight support and training and your receipts are deductible under Section 7-9-62(B).
D0-008	Aircraft Parts and Maintenance (7-9-62 (C))	If you sell aircraft parts, provide maintenance services for aircraft and aircraft parts and your receipts are deductible under Section 7-9-62(C).
D0-009	Commercial/Military Aircraft (7-9-62.1)	If you sell or provide services for commercial and military aircraft and your receipts are deductible under Section 7-9-62.1.
D0-010	Medicare (7-9-77.1(A))	If you provide medical and health care services to Medicare beneficiaries and your receipts are deductible under Section 7-9-77.1(A).
D0-011	TRICARE Program (7-9-77.1(C))	If you provide medical and health care services as a third-party administrator for the TRICARE program and your receipts are deductible under Section 7-9-77.1(C).
D0-012	Indian Health Service (7-9-77.1 (D))	If you provide medical and health care services to Indian Health Service of the United States Department of Health and Human Services to covered beneficiaries and your receipts are deductible under Section 7-9-77.1(D).
D0-013	Medicare - Clinical Laboratory (7-9-77.1(E))	If you are a clinical laboratory and provide medical and health care services to Medicare beneficiaries and your receipts are deductible under Section 7-9-77.1(E).
D0-014	Medicare - Home Health (7-9-77.1 (F))	If you are a home health agency and provide medical, other health and palliative services to Medicare beneficiaries and your receipts are deductible under Section 7-9-77.1(F)
D0-015	Medicare - Dialysis Facility (7-9-77.1(G))	Prior to July 1, 2032, if you are a dialysis facility and you provide medical and other health services to Medicare beneficiaries and your receipts are deductible under Section 7-9-77.1(G).
D0-016	Durable Medical Equipment (7-9-73.3)	If you sell or rent durable medical equipment or medical supplies and your receipts are deductible under Section 7-9-73.3.
D0-017	Military Transformational Acquisition (7-9-94)	If you perform research and development, test and evaluation services at New Mexico major range and test facility bases and your receipts are from military transformational acquisition programs and deductible under Section 7-9-94.

D0-018	Directed Energy and Satellites (7-9-115)	If you sell goods and services to the United States Department of Defense related to directed energy or satellites and your receipts are deductible under Section 7-9-115.
D0-019	Border Zone Trade-Support Company (7-9-56.3)	If you are a trade-support company and have receipts from business activities and operations at the business' border location and your receipts are deductible under Section 7-9-56.3.
D0-020	Small Business Saturday (7-9-116)	If you are a qualified small business and have receipts from the sale at retail of certain tangible personal property on the first Saturday after Thanksgiving and your receipts are deductible under Section 7-9-116.
D0-022	Jet Fuel 40% (7-9-83)	If you sell jet fuel for use in turboprop or jet engines 40% can be deducted under Section 7-9-83.
D0-023	Back to School Tax Holiday (7-9-95)	If you have receipts from retail sales of specified tangible personal property, if the sale of the property occurs during the period between 12:01 a.m. on the first Friday in August and ending at midnight the following Sunday your receipts are deductible under Section 7-9-95.
D0-024	Dispenser's License Holder (7-9-119)	The receipts of a dispenser liquor license holder who held the license on June 30, 2021, may be deducted up to \$50,000 from the sale of alcoholic beverages for taxable years 2022 through 2025 as long as the sales of alcoholic beverages for consumption off premises are less than 50% of total alcoholic beverage sales.
D0-025	Manufacturing - Equipment 7-9-46(C)	If you sell or lease qualified equipment to a person engaged in the business of manufacturing or a manufacturing service provider under Section 7-9-46(C). The investment credit shall not be claimed on the same equipment.
D0-026	Hospice or Nursing Home (7-9-77.1(B))	If your receipts are for medical and other health and palliative services provided by hospice or nursing home to Medicare beneficiaries and your receipts are deducted under Section 7-9-77.1(B).
D0-027	Sales of services to manufacturers (7-9-46.1)	If your receipts are from selling professional services to a person engaged in the business of manufacturing and your receipts are deductible under Section 7-9-46.1. The professional service has to be related to the product that the buyer is in the business of manufacturing.
D0-028	Feminine Hygiene Products (7-9-120)	If your receipts are from the sale of feminine hygiene products and your receipts are deductible under Section 7-9-120.

**COLUMN G. Taxable Gross Receipts**

Column D minus Column F. **Note:** This amount can never be less than zero.

**COLUMN H. Tax Rate**

Enter the rate from the *Gross Receipts and Compensating Tax Rate Schedule* or a special tax rate if you entered the special rate code "NH" for non-profit hospitals.

**COLUMN I. Gross Receipts Tax Due**

Enter the Gross Receipts Tax Due for each line by multiplying Column G by Column H.

**ROW A THROUGH B****ROW A. COLUMN D and COLUMN F.**

Row A allows for the subtotal amounts from page 1 of the return for Column D and Column F.

**ROW A. COLUMN I. Enter the total amount of gross receipts tax due here.**

Use this row to provide the subtotal of gross receipts tax due from the above rows.

**ROW B. COLUMN D and COLUMN F.**

Row B allows for the subtotal amounts from all return Schedule A's used in determining your filing tax liability. Please include the subtotal amounts for Column D and Column F in the space provided at the bottom of these columns on page 1.

**ROW B. COLUMN I. Enter the total amount of gross receipts tax from all Schedule A pages.**

Use this row to provide the subtotal of gross receipts tax due from all Schedule A's used to determine your tax liability for the return you are filing.

**LINES 1 THROUGH 8****LINE 1. Total Gross Receipts Tax.**

Enter the sum of all Column I, Row A and Row B on Line 1 for the total amount of gross receipts tax due. Remember to include all of the Column I in your calculation from any additional Schedule A pages for the reporting period.

**LINE 2. Business Related Tax Credits Applied**

If you do not have any Business-Credits to apply, skip Line 2. Business-Related business tax credits applied from Sched-

ule CR, line A. Attach Schedule CR. The amount on this line should not be more than Line 1. For information about these credits, see the instructions for Schedule CR.

If you are eligible, do the following:

- Complete Schedule CR.
- From Schedule CR, line A, enter the total amount you claimed and applied to your tax due on TRD-41413, line 2,
- From Schedule CR, line B, enter the total amount of tax credit that may be refunded to you, on TRD-41413, line 7. See instructions for line 7.
- Attach Schedule CR (and any required forms or documentation to support your claim) to your TRD-41413.

### LINE 3. Net Tax

Subtract Line 2 from Line 1. If no amount was claimed on Line 2, carry amount in Line 1 down to Line 3. This amount cannot be more than Line 1.

### LINE 4. Penalty.

If you file late and owe tax, or if you do not pay the tax on or before the date your return is due, enter penalty here.

Penalty is applied for failure to pay or file on time. Penalty is calculated at a rate of 2% of Line 4 per month or partial month (any fraction of a month is a full month) the TRD-41413 or payment is late, up to 20% of the tax due or a minimum of \$5.00, whichever is greater.

**Note:** The minimum \$5.00 Penalty is also imposed for failure to file this form even if no tax is due.

### LINE 5. Interest

See **Example 4**. Interest is calculated daily but the rate will be set at the rate established for individual income tax purposes by the U.S. Internal Revenue Code (IRC). The IRC rate, which changes quarterly, is announced by the IRS in the last month of the previous quarter. The annual and daily interest rates for each quarter are posted on our website at <https://www.tax.newmexico.gov/individuals/file-your-taxes-overview/penalty-interest-rates/>.

$$\text{Tax Due X Quarterly Interest X Number of Days Late} \\ = \text{Interest Due}$$

**Example 4** (Line 5): Taxpayer's tax due on Line 3 is \$1,000. The payment due is fifteen days late.

To calculate the interest due: multiply \$1,000 by the daily rate of 0.01643856% (the daily interest rate for the 2nd quarter of 2019). The result is \$0.16438356, which is the interest due for one day. Multiply \$0.1643856 by fifteen (the number of days the payment is late). The interest is \$2.465753425. (Round this number to the nearest cent) Enter the interest due of \$2.47 on Line 5.

$$\$1,000 \times 0.00016438356 \times 15 = \$2.465753425$$

**Note:** You are not liable for interest if the total interest due

is less than \$1.00.

**Important:** When you pay your principal tax liability, interest stops accruing. Because it stops accruing, you do not need to calculate the amount of interest due on your return past the date you pay the principal tax.

### LINE 6. Total Amount Due

Add Lines 3, 4 and 5. A TRD-41413 payment should not be combined on the same check or money order with any other tax or fee being paid to the Department. If possible include your New Mexico Business Tax Identification Number (NMB-TIN).

Please send your completed Form TRD-41413, *Gross Receipts Tax Return* with payment to:

New Mexico Taxation and Revenue Department  
P.O. Box 25128  
Santa Fe, NM 87504-5128

**Important:** Continue to Line 7 only if you are claiming refundable business-related credits.

### Paying Your Taxes

Make your check or money order payable to New Mexico Taxation and Revenue Department. Mail the GRT-PV with your payment to:

New Mexico Taxation and Revenue Department  
P.O. Box 25128  
Santa Fe, NM 87504-5128

**Important:** Put your NMBTIN and filing period on your check or money order.

**Taxpayer Access Point (TAP):** <https://tap.state.nm.us>

If you file using TAP and you owe tax, you will be given the option to pay your tax once you are finished filing your return. You may use a credit card for an online payment. You can also pay by electronic check, or mail a check or money order to the Department with a payment voucher. **Note:** A convenience fee is applied for using a credit card. The State of New Mexico uses this fee, calculated on the transaction amount, to pay charges from the credit card companies. There is no charge for an electronic check.

### LINE 7. Refundable Business-Related Tax Credits.

Refundable Business-Related tax credits applied from Schedule CR, line B. DO NOT include business-related tax credit amounts applied to your tax liability on Line 2. Attach Schedule CR and required supporting documentation specified on Schedule CR to your TRD-41413, *Gross Receipts Tax Return*.

### LINE 8. Overpayment

Subtract Line 7 from Line 6, enter total overpayment/refundable credit here.

**Important:** Any overpayment or refund requests must be accompanied by a completed RPD-41071, *Application for Tax*

*Refund* and any required additional documentation. Providing this information will decrease the time it takes to review and process your refund request.

**FUEL ONLY-** This box replaces the reporting requirement for information return form RPD-41296, *Report on Sales or Use of Fuel Specially Prepared and Sold for Use in Turboprop or Jet-Type Engines*.

- Enter the total amount of gross receipts tax attributable to the sale of fuel specially prepared and sold for use in turbo-prop or jet-type engine.

### Before Filing Your Paper Return

Now that you have completed your TRD-41413:

1. Check the figures and your arithmetic on your TRD-41413 and on all your attachments. Make sure these are original,

- official TRD-41413 form and Schedules.
2. If you created a working TRD-41413, use blue or black ink to carefully transfer your figures onto the clean TRD-41413 you plan to submit.
3. Sign and date your TRD-41413.
4. If your return shows tax due on Line 6, complete the GRT-PV payment voucher.
5. Assemble your return as shown for most efficient processing. If there is a tax due, place your payment and voucher at the front of the return.
6. Make a copy of your original return and attachments for your records, and keep it in a safe place in case you need to refer to it later. If someone prepares your return for you, get a copy for your records.

**Important:** Do not staple or tape your payment to the payment voucher.

## REFUNDS

### Refunds

If your account has an overpayment and you are due a refund or you are claiming a refundable business-related tax credit you must submit Form RPD-41071, *Application for Tax Refund* and all required supporting documentation.

### Information Required to Claim a Refund

According to Section 7-1-26 NMSA 1978, the following information is required to claim a refund:

- Taxpayer's name, address, and identification number
- Type of tax for which the refund is claimed, the credit or rebate denied, or the property levied upon

- Sum of money or other property claimed
- Period(s) for which the overpayment was made
- Brief statement of the facts and law on which the claim is based, referred to as the basis for refund, and documentation to support and substantiate the taxpayer's basis for the refund.
- If applicable, a copy of an amended return for each tax period for which the refund is claimed.

See Form RPD-41071, *Application for Tax Refund* for more information.

## INTEREST AND PENALTIES

### Interest

Interest accrues on tax that is not paid on or before the due date of your return.

**Important:** Interest is a charge for the use of money and by law it cannot be waived.

When you pay your principal tax liability, penalty and interest stop accruing.

### Negligence Penalty for Late Filing or Late Payment

If you file late and owe tax, or if you do not pay your tax when due, you receive a penalty of 2% of the tax due for each month or part of a month you do not file the return or you do not pay the tax, up to a maximum of 20%.

This penalty applies when your failure to timely file or pay is due to negligence or disregard of the rules and regulations, but without intent to defraud.

### Tax Fraud

A person is guilty of tax fraud if the person:

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

Whoever commits tax fraud may be found guilty of a petty misdemeanor, misdemeanor, fourth degree felony, third degree felony, or second degree felony. Additional information can be located under Section 7-1-73 NMSA 1978.

### Returned Check Penalty

A check that is not paid by a financial institution does not constitute payment. A penalty of \$20 is assessed for a bad check in addition to other penalties that may apply to a late payment.

## YOUR RIGHTS UNDER THE TAX LAW

### Your Rights

To help avoid tax problems, keep accurate tax records and stay current with tax law changes. Information in these instructions and other Department publications help you do both.

While you can resolve most tax problems informally, it is important to understand you must exercise certain rights provided to you under law within specific time frames. If the Department makes an adjustment to your return, the Department sends you a notice explaining the adjustment and the procedures to use if you disagree.

### Useful Publications

Publication FYI-402, *Taxpayer Remedies* and FYI-406, *Your Rights Under the Tax Law* are available at [www.tax.newmexico.gov](http://www.tax.newmexico.gov). At the top, click **FORMS & PUBLICATIONS**,

then select **FYIs** from the **Publications** folder.

### Refunds

If the Department denies your claim for refund in whole or in part, you may file a protest with the Department within 90 days of either mailing or service of the denial, or you may file a lawsuit with the Santa Fe District Court.

If the Department requests additional relevant documentation from you, the claim is not complete until the documentation is received within the specified time period. The date the complete claim is submitted will determine when the 180 days begin. If you do not provide the additional requested relevant documentation, the claim for refund remains incomplete and will not be processed.

## OTHER NEW MEXICO GRT DEDUCTIONS

T6. Other New Mexico GRT Deductions		
Statute Reference	Short Title	Summary
7-9-47	Tangible personal property or license for resale	Receipts from sales of tangible personal property or licenses may be deducted if the sale is made to a person who delivers a nontaxable transaction certificate (NTTC) or alternative evidence to the seller.
7-9-48	Service for resale	Receipts from selling a service for resale may be deducted from if the sale is made to a person who delivers a NTTC or alternative evidence to the seller.
7-9-49	Tangible personal property and licenses for leasing	Receipts from selling tangible personal property and licenses may be deducted if the sale is made to a person who delivers a NTTC or alternative evidence to the seller. Does not apply to furniture or appliances, the receipts from the rental or lease; coin-operated machines; or manufactured homes.
7-9-50	Lease for subsequent lease	Receipts from leasing tangible personal property or licenses may be deducted from gross receipts if the lease is made to a lessee who delivers a NTTC or alternative evidence to the lessor. Does not apply to furniture or appliances, the receipts from the rental or lease; coin-operated machines; or manufactured homes.
7-9-51	Construction material	Receipts from selling construction material may be deducted if the sale is made to a person engaged in the construction business who delivers a NTTC or alternative evidence to the seller.
7-9-52	Construction and related services	Receipts from selling a construction service or a construction related service may be deducted if the sale is made to a person engaged in the construction business who delivers a NTTC or alternative evidence to the person performing the construction service or a construction related service.
7-9-52.1	Lease of construction equipment	Receipts from leasing construction equipment may be deducted if the construction equipment is leased to a person engaged in the construction business who delivers a NTTC or alternative evidence to the person leasing the construction equipment.
7-9-53	Sale or lease of real property	Receipts from the sale or lease of real property and from the lease of a manufactured home.
7-9-54	Sales to governmental agencies	Deductions from receipts from selling tangible personal property or from selling licenses to use digital goods for the purpose of loaning those digital goods to the public, to the United States or to New Mexico or a governmental unit, subdivision, agency, department or instrumentality thereof, Indian tribe, nation or pueblo or a governmental unit, subdivision, agency, department or instrumentality thereof for use on Indian reservations or pueblo grants.
7-9-54.1	Sale of aerospace services to certain organizations	Receipts from performing or selling an aerospace service for resale may be deducted from gross receipts if the sale is made to a buyer who delivers a NTTC or alternative evidence.

7-9-54.2	Spaceport operations	Receipts from launching, operating or recovering space vehicles or payloads in New Mexico, preparing a payload in New Mexico, operating a spaceport in New Mexico, receipts from the provision of research, development, testing and evaluation services for the United States air force operationally responsive space program may be deducted.
7-9-54.3	Wind and solar equipment to governments	Receipts from selling wind generation equipment or solar generation equipment to a government for the purpose of installing a wind or solar electric generation facility may be deducted so long as not included in energy tax credit claim.
7-9-55	Transaction in interstate commerce	Receipts from transactions in interstate commerce may be deducted from gross receipts to the extent that the imposition of the gross receipts tax would be unlawful under the United States constitution; Receipts from transmitting messages or conversations by radio receipts, from the sale of radio or television broadcast time under certain circumstances may be deducted.
7-9-56	Intrastate transportation and services interstate commerce	Receipts from transporting persons or property from one point to another in this state; receipts from handling, storage, drayage or packing of property or any other accessorial services on property, receipts from providing telephone or telegraph services in this state that will be used by other persons in providing telephone or telegraph services to the final user may be deducted.
7-9-56.1	Certain telecommunication and internet services	Receipts from providing leased telephone lines, telecommunications services, internet services, internet access services or computer programming that will be used by other persons in providing internet access and related services to the final user may be deducted from gross receipts if the sale is made to a person who is subject to the gross receipts tax or the interstate telecommunications gross receipts tax.
7-9-56.2	Hosting world wide web sites	Receipts from hosting world wide web sites may be deducted from gross receipts. For purposes of this section, "hosting" means storing information on computers attached to the internet.
7-9-57	Services to an out-of-state buyer	Receipts from performing a service may be deducted if the sale of the service is made to an out-of-state buyer who delivers to the seller either a NTTC, alternative evidence, or other evidence acceptable to the secretary unless the buyer of the service or any of the buyer's employees or agents makes initial use of the product of the service in New Mexico or takes delivery of the product of the service in New Mexico.
7-9-57.2	Sale of software development services	The receipts of an eligible software development company from the sale of software development services that are performed in a qualified area may be deducted.
7-9-58	Agriculture-Feed and certain fertilizers	Receipts from selling feed for livestock (including the baling wire or twine used to contain the feed), fish raised for human consumption, poultry or for animals raised for their hides or pelts, seeds, roots, bulbs, plants, soil conditioners, fertilizers, insecticides, germicides, insects used to control populations of other insects, fungicides or weedicides or water for irrigation to persons engaged in the business of farming or ranching and receipts of auctioneers from selling livestock or other agricultural products at auction (7-9-58). Requirement: farmer or rancher statement.
7-9-59	Receipts for certain agriculture production	Receipts from warehousing grain or other agricultural products and receipts from threshing, cleaning, growing, cultivating or harvesting agricultural products including the ginning of cotton, testing or transporting milk for the producer or non-profit marketing association from the farm to a milk processing or dairy product manufacturing plant or processing for growers, producers or nonprofit marketing associations of agricultural products raised for food and fiber, including livestock.
7-9-60	Sales to certain 501(c)(3) organizations	Receipts from selling tangible personal property to 501(c)(3) organizations may be deducted if the sale is made to an organization that delivers a NTTC or alternative evidence to the seller. Does not apply to receipts from selling construction material, excluding tangible personal property.

7-9-61.1	Certain loan receipts	Receipts from charges made in connection with the origination, making or assumption of a loan or from charges made for handling loan payments may be deducted.
7-9-61.2	Sales to state-chartered credit unions	Receipts from selling tangible personal property to credit unions chartered under the provisions of the Credit Union Act are deductible to the same extent that receipts from the sale of tangible personal property to federal credit unions may be deducted.
7-9-63	Publication sales	Receipts from publishing newspapers or magazines, except from selling advertising space, may be deducted; Receipts from selling magazines at retail may not be deducted.
7-9-64	Newspaper sales	Receipts from selling newspapers, except from selling advertising space may be deducted.
7-9-65	Chemicals and reagents	Receipts from selling chemicals or reagents to any mining, milling or oil company for use in processing ores or oil in a mill, smelter or refinery or in acidizing oil wells, and receipts from selling chemicals or reagents in lots in excess of eighteen tons to any hard-rock mining or milling company for use in any combination of extracting, leaching, milling, smelting, refining or processing ore at a mine site, may be deducted from gross receipts. Receipts from selling explosives, blasting powder or dynamite may not be deducted from gross receipts.
7-9-66	Commissions for sale of Tangible Personal Property	Receipts derived from commissions on sales of tangible personal property which are not subject to the gross receipts tax receipts of the owner of a dealer store derived from commissions received for performing the service of selling from the owner's dealer store a principal's tangible personal property may be deducted.
7-9-66.1	Certain real estate commissions	Receipts from real estate commissions on that portion of the transaction subject to gross receipts tax pursuant to Subsection A of Section 7-9-53 NMSA 1978 may be deducted with supporting documents.
7-9-67	Refunds; uncollectible debts	Refunds and allowances made to buyers or amounts written off the books as an uncollectible debt under certain circumstances.
7-9-68	Warranty obligations	Receipts of a dealer from furnishing goods or services to the purchaser of tangible personal property to fulfill a warranty obligation of the manufacturer of the property may be deducted.
7-9-69	Administrative and accounting services	Receipts of a business entity for administrative, managerial, accounting and customer services performed by it for an affiliate upon a nonprofit or cost basis and receipts of a business entity from an affiliate for the joint use or sharing of office machines and facilities upon a nonprofit or cost basis may be deducted.
7-9-70	Rent or lease of vehicles used in interstate commerce	Receipts from the rental or leasing of vehicles used in the transportation of passengers or property for hire in interstate commerce under the regulations or authorization of any agency of the United States may be deducted.
7-9-71	Trade-in allowance	That portion of the receipts of a seller that is represented by a trade-in of tangible personal property of the same type being sold, except for the receipts represented by a trade-in of a manufactured home, may be deducted.
7-9-73	Sale of prosthetic devices	Receipts from selling prosthetic devices may be deducted if the sale is made to a person who is licensed to practice medicine, osteopathic medicine, dentistry, podiatry, optometry, chiropractic or professional nursing and who delivers a NTTC or alternative evidence to the seller.
7-9-73.1	Hospitals licensed by NMDOH	60% of the receipts of hospitals licensed by the department of health may be deducted; provided that this deduction may be applied only to the taxable gross receipts remaining after all other appropriate deductions have been taken, 60% of the receipts of a hospital licensed by the department of health may be deducted.
7-9-73.2	Prescription drugs; oxygen	Receipts from the sale of prescription drugs and oxygen and oxygen services provided by a licensed medicare durable medical equipment provider and cannabis products that are sold in accordance with the Lynn and Erin Compassionate Use Act may be deducted.

7-9-74	Sale of property used in the manufacture of jewelry	Receipts from selling tangible personal property may be deducted if the sale is made to a person who states in writing that he will use the property so purchased in manufacturing jewelry.
7-9-75	Services performed directly on product manufactured	Receipts from selling the service of combining or processing components or materials may be deducted if the sale is made to a person engaged in the business of manufacturing who delivers a NTTC or alternative evidence to the seller.
7-9-76	Travel agents' commissions paid by certain entities	Receipts of travel agents derived from commissions paid by maritime transportation companies and interstate airlines, railroads and passenger buses for booking, referral, reservation or ticket services may be deducted.
7-9-76.1	Resale of certain manufactured homes	Receipts from the resale of a manufactured home may be deducted from gross if the sale is made of a manufactured home that was subject to the gross receipts, compensating or motor vehicle excise tax upon its initial sale or use in New Mexico.
7-9-76.2	Lease or License of certain films and tapes	Receipts from the leasing or licensing of theatrical and television films and tapes to a person engaged in the business of providing public or commercial entertainment from which gross receipts are derived may be deducted.
7-9-85	Certain Section 501(c) fundraisers	Receipts from not more than two fundraising events annually conducted by an organization that is exempt from the federal income tax as an organization described in Section 501(c), other than an organization described in Section 501(c) (3), of the United States Internal Revenue Code of 1986, as amended may be deducted.
7-9-87	Lottery retailer receipts	Receipts of a lottery game retailer from selling lottery tickets pursuant to the New Mexico Lottery Act [Chapter 6, Article 24 NMSA 1978] may be deducted.
7-9-89	Sales to certain accredited diplomats and missions	Receipts from selling or leasing property to, or from performing services for, an accredited foreign mission or an accredited member of a foreign mission may be deducted when a treaty in force to which the United States is a party requires forbearance of tax when the legal incidence is upon the buyer or when the tax is customarily passed on to the buyer.
7-9-97	Certain purchases by or on behalf of the state	Receipts from the sale of property or services purchased by or on behalf of the state from funds obtained from the forfeiture of financial assurance pursuant to the New Mexico Mining Act [Chapter 69, Article 36 NMSA 1978] or the forfeiture of financial responsibility pursuant to the Water Quality Act [Chapter 74, Article 6 NMSA 1978] may be deducted.
7-9-99	Construction services for new hospital	Receipts from selling an engineering, architectural or construction service used in the new facility construction of a sole community provider hospital [qualifying hospital] that is located in a federally designated health professional shortage area may be deducted if the sale of the engineering, architectural or construction service is made to a foundation or a nonprofit organization under certain circumstances.
7-9-100	Construction equipment or materials for new hospital	Receipts from selling construction equipment or construction materials used in the new facility construction of a sole community provider hospital [qualifying hospital] that is located in a federally designated health professional shortage area may be deducted if the sale of the construction equipment or construction materials is made to a foundation or a nonprofit organization.
7-9-101	Equipment for electric transmission or storage facilities	Receipts from selling equipment to the New Mexico renewable energy transmission authority or an agent or lessee of the authority may be deducted if the equipment is installed as part of an electric transmission facility or an interconnected storage facility acquired by the authority pursuant to the New Mexico Renewable Energy Transmission Authority Act.
7-9-103	Services for Electric transmission and storage facilities	Receipts from providing services to the New Mexico renewable energy transmission authority or an agent or lessee of the authority for the planning, installation, repair, maintenance or operation of an electric transmission facility or an interconnected storage facility acquired by the authority pursuant to the New Mexico Renewable Energy Transmission Authority Act.

7-9-104	Nonathletic special event at qualifying location	Prior to July 1, 2027, receipts received from admissions to a nonathletic special event held at a venue that is located on the campus of a post-secondary educational institution within fifty miles of the New Mexico border and that accommodates at least ten thousand persons may be deducted.
7-9-107	Professional boxing, wrestling, martial arts	Receipts from producing or staging a professional boxing, wrestling or martial arts contest that occurs in New Mexico, including receipts from ticket sales and broadcasting, may be deducted.
7-9-108	Mutual funds, hedge funds or REIT services	Receipts from fees received for performing management or investment advisory services for a mutual fund, hedge fund or real estate investment trust may be deducted.
7-9-109	Cattle Veterinary Medical Services	Receipts from sales of veterinary medical services, medicine or medical supplies used in the medical treatment of cattle may be deducted if the sale is made to a person who states in writing that the person is regularly engaged in the business of ranching or farming, including dairy farming, in New Mexico or if the sale is made to a veterinarian who holds a valid license pursuant to the Veterinary Practice Act and who is providing veterinary medical services, medicine or medical supplies in the treatment of cattle owned by that person.
7-9-110.1	Locomotive Engine Fuel	Receipts from the sale of fuel to a common carrier to be loaded or used in a locomotive engine may be deducted.
7-9-111	Hearing, vision aids and related services	Receipts that are not exempt from gross receipts taxation and are not deductible pursuant to another provision of the Gross Receipts and Compensating Tax Act that are from the sale of vision aids or hearing aids or related services may be deducted.
7-9-112	Solar Energy System sale or installation	Receipts from the sale and installation of solar energy systems may be deducted. For further information see the FYI-105, <i>Gross Receipts &amp; Compensating Taxes - An Overview</i> .
7-9-117	Marketplace Seller	A marketplace seller may deduct receipts for sales, leases and licenses of tangible personal property, sales of licenses and sales of services or licenses for use of real property that are collected and paid by a marketplace provider.

# New Mexico Taxpayer Bill of Rights

Most tax transactions happen without problems. Sometimes, thought, troubles arise through misunderstanding, mathematical error, missed deadlines, lost papers, high volume of transactions and many other situations. Changes in the law may make earlier information outdated. Over the years the Legislature and the Department have created ways to handle difficulties according to the provisions of the state tax code. Following are some of your rights as outlined in Sections 7-1-4.1 through 7-1-4.3 NMSA 1978:

- The right to available public information and prompt and courteous tax assistance;
- The right to representation and advice by counsel or other qualified representatives at any time during your interactions with the Department according to provisions of Section 7-1-24 NMSA 1978, or with the Administrative Hearings Office in accordance with the provisions of the Administrative Hearings Office Act;
- The right to have audits, inspections of records and meetings conducted at a reasonable time and place according to Section 7-1-11 NMSA 1978;
- The right to have the Department conduct its audits in a timely and efficient manner and be entitled to the correct calculation of interest as provided in the Tax Administration Act under Section 7-1-67 and 7-1-68 NMSA 1978;
- The right to simple, non-technical information explaining procedures, remedies and rights during audit, protest, appeals and collection proceedings under the Tax Administration Act;
- The right to receive an explanation of audit results and the basis for audits, assessments or denials of refunds that identify tax, interest or penalty due;
- The right to seek review through formal or informal proceedings of findings or unfavorable decisions arising from determinations during audit or protest procedures according to Section 7-1-24 NMSA 1978 and the Administrative Hearings Office Act;
- The right to have your tax information kept confidential unless otherwise specified by law in Sections 7-1-8 through 7-1-8.11 NMSA 1978;
- The right to an abatement of an assessment of taxes incorrectly, erroneously or illegally made (Section 7-1-28 NMSA 1978) and a right to seek a compromise of an asserted tax liability. When the Secretary of Taxation and Revenue in good faith doubts that you owe us what we claim you owe, you also have the right to seek a compromise if one exists in your particular case (Section 7-1-20 NMSA 1978);
- The right to clear information of the consequences if a tax assessment is not paid, secured, protested or otherwise provided for according to Section 7-1-16 NMSA 1978. If you become a delinquent taxpayer, upon notice of delinquency you have the right to timely notice of collection actions that require sale or seizure of your property under the Tax Administration Act, and
- The right to apply to pay your tax obligations by installment payment agreements according to the provisions of Section 7-1-21 NMSA 1978.

## Confidentiality Provisions:

Statutes protecting the privacy of your taxes are strict and are outlined in Sections 7-1-8 through 7-1-8.11 NMSA 1978. Section 7-1-8.2 NMSA 1978 limits requiring the Department to answer questions about whether a taxpayer is registered to do business in New Mexico or is registered for other tax programs. It does not allow employees to say whether you have filed a return. Employees may discuss your account only with you or your authorized representative. A hearing officer's written ruling on questions of evidence or procedure pursuant to the Administrative Hearings Office Act are in the public domain. The name and identification number of the taxpayer requesting the ruling are not public record. Public record includes the monthly gasoline tax reports of numbers of gallons of gasoline and ethanol-blended fuels received and deducted, and the tax paid by each filer or taxpayer pays. Identities of rack operators, importers, blenders, suppliers or distributors and the number of gallons of gasoline and other

fuels are public record. The Department may reveal to the Gaming Control Board the tax returns of license applicants and their affiliates.

## Audit Provisions:

The Department must provide you with written, dated notice that an audit is about to begin on a specific date, and the notice must tell you which tax programs and reporting periods will be covered. We must issue a second notice, which states any outstanding records or books of account requested and not yet received, between 60 and 180 days after the audit begins. If you do not produce the records within 90 days, the Department can issue an assessment of tax on the basis of the information as it stands. If you need additional time, you must submit a specific request in writing. Interest on outstanding liabilities accrues if the Department does not issue an assessment within 180 days of the notice of outstanding records or books, or within 90 days after time has expired under your request for additional time; however, you are entitled to an abatement of interest for the period of time after you have complied with Department requests and the Department has not acted on the audit.

## Administrative Hearing Procedures:

A hearing officer may not engage or participate in any way in the enforcement or formulation of general tax policy other than to conduct hearings. You may request the Chief Hearing Officer of the Administrative Hearings Office determine if a hearing officer has engaged or participated in the enforcement or formulation of tax policy and if the hearing officer's activities have affected his or her impartiality. The Chief Hearing Officer may designate another hearing officer for the matter. Hearing officers may not communicate unilaterally about a matter you have protested while that matter is still pending. The chief hearing officer may appoint another hearing officer if that occurs. You may request a written ruling on any contested question of evidence in matters in which you have filed a pending written protest. You also may request that two or more protests on related issues be combined and heard jointly, and the hearing officer shall grant the request unless it creates an unreasonable burden on the Department.

## Credit Claims:

The Department has 120 days from the filing date to approve or deny a statutory tax credit. If it does not act, the credit is approved. For more information see Section 7-1-29.2 NMSA 1978.

## Refund Offsets:

The Secretary decides whether a refund of tax due you may be offset against your other tax liabilities, and you will receive notice that the refund will be made accordingly. You are entitled to interest until the tax liability is credited with the refund amount. Please see the paragraph above on "Audit Provisions" for interest due to you if the Department does not offset a refund or credit against your other tax liabilities within the prescribed time. The Department may make a direct refund of overpaid taxes to the taxpayer without requiring the taxpayer to file a refund claim. The Department does not have to pay interest on credits or refunds if it applies the amount to a tax interception program, to an estimated payment, or to offset prior liabilities of the taxpayer.

## Awarding of Costs and Fees:

If you prevail in an administrative or court proceeding brought by you or against you after July 1, 2003, under the Tax Administration Act, you may be entitled to a judgment or a settlement for reasonable administrative costs connected to the action.

## Penalty:

The Department may not assess penalty against you if you fail to pay tax when due because of a mistake of law made in good faith and on reasonable grounds. If the Secretary determines that it is unfair to hold a spouse or former spouse liable for payment of unpaid taxes, the Secretary may decline to take action against the spouse or former spouse of the person who actually owes the tax. In extreme cases of delinquency under Section 7-1-53 NMSA 1978 the Department may enjoin a taxpayer from continuing in business after a hearing and until the delinquency is cleared.

