



STATE OF NEW MEXICO
Taxation and Revenue Department
An Equal Opportunity Employer

DIVISIONS
Office of the Secretary
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Administrative Services
(505) 827-0369
Audit and Compliance
(505) 827-0900
Motor Vehicle
(505) 827-2296
Property Tax
(505) 827-0870
Revenue Processing
(505) 827-0800
Tax Fraud Investigations
(505) 841-6544

Bill Richardson
Governor
Rick Homans
Secretary

FOR IMMEDIATE RELEASE
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NEW MEXICO PERSONAL INCOME TAX ESTIMATED PAYMENT INFORMATION

Next payment due September 15

New Mexico taxpayers are required to make quarterly payments of their estimated income tax and the third installment of the current tax year must be postmarked by September 15, 2008. "Paying estimated taxes on time is the responsibility of every taxpayer in New Mexico," said Rick Homans, Secretary of Taxation and Revenue. "We instituted an educational campaign to our taxpayers so that people won't be caught by surprise at the end of the year when they will have to pay the amount due, plus penalties."

AM I REQUIRED TO MAKE ESTIMATED TAX PAYMENTS?

Every person required to file a New Mexico personal income tax return must pay estimated tax on income as it is received throughout the year. You may pay estimated tax by having New Mexico income tax withheld from income, such as wages that you receive, by sending quarterly estimated payments or by a combination of the two payment methods. When you file your 2008 return next year, the tax due, after rebates, credits and withholding, must be less than \$500. If your tax due amount is \$500 or more, penalty will be due for underpaying estimated tax.

WHAT DO I NEED TO DO?

Estimated tax penalty will not be imposed for tax year 2008 if you use withholding tax or estimated payments to pay either 100% of your tax due for the 2007 tax year or 90% of your tax due for the 2008 tax year, whichever amount is less so long as you make your payments on time. Estimated payment due dates are April 15, June 15, September 15, and January 15. When one of these dates falls on a weekend or holiday, then the due date changes to the next business day.

If you missed a required estimated payment due date, make your payment as soon as possible to minimize additional penalties.

If you do not make any of the required estimated payments during tax year 2008, the amount due will be the amount of the missed payments, plus interest from the date each payment was due until April 15, 2009.

If you make one or more required estimated payments late, the amount due will be the interest from each date the payment was due until it was paid.

The penalty is calculated using the IRS quarterly interest rate in effect for each quarter that an estimated payment is underpaid or paid late up until April 15th, 2009. The formula is as follows:

Estimated tax payment due x the daily interest rate x number of days late = penalty due.

HOW DO I MAKE ESTIMATED PAYMENTS?

Estimated payments should provide your name, social security number, and the tax year that you are paying tax for.

Estimated payments can be:

Mailed to: New Mexico Taxation and Revenue Department

P.O. Box 8390

Santa Fe, NM 87504-8390

E-filed at: www.tax.state.nm.us

Hand delivered to a Taxation and Revenue Department field office.

QUESTIONS? Call 1-866-809-2335