



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

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NEW MEXICO PERSONAL INCOME TAX
ESTIMATED PAYMENT INFORMATION

The first installment of estimated payments for the 2008 New Mexico personal income tax year is due in April of this year. These payments **must be postmarked by April 15, 2008** in order to be considered timely. Though the Department will not impose penalties for underpaying estimated payments for tax year 2007, **the Department will impose penalties for underpayment of estimated payments for tax year 2008.**

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* by means of New Mexico withholding tax or estimated tax payments. A taxpayer who does not make sufficient payments may receive an assessment of penalty for underpayment of New Mexico personal income tax, even if the full tax amount owed is paid with the annual return by April 15th, 2009. Late or underpaid estimated payments are subject to penalty calculated using the quarterly interest rate in effect for each quarter that an estimated payment is underpaid or paid late up until April 15th, 2009.

To avoid penalty for underpayment of estimated income tax upon filing next year's tax return, a taxpayer may increase the amount of withholding from wages or pension payments or make four equal estimated payments by the due dates of **April 15, June 16, September 15 of 2008 and January 15, 2009**. Penalty will not be imposed for tax year 2008 if a taxpayer uses withholding tax or estimated payments to pay either 100 percent of their tax due for the 2007 tax year or 90 percent of their tax due for the 2008 tax year, whichever amount is less.

Additional information, including publication FYI-320 "PIT-ES: Personal Income Tax Estimated Payments", is available on the Taxation and Revenue Department's website at www.tax.state.nm.us or from a local Taxation and Revenue Department district office.