



STATE OF NEW MEXICO  
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*Governor*  
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**FOR IMMEDIATE RELEASE**  
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**Proposal to Restore First Quarterly Estimated Payment For Corporations to be Considered by Legislature**

SANTA FE -- Corporations that will owe at least \$5,000 in income tax for the 2009 tax year should pay close attention to the upcoming session of the Legislature: a proposal to re-impose the first quarterly estimated payment will be considered. If such a proposal passes, it is likely that corporations with taxable years beginning in January, February or March would need to file an additional estimated payment sometime between April 15 and June 30. Corporations with taxable years beginning in April or later would need to file an additional estimated payment sometime after June 30.

"This proposal doesn't increase corporate taxes or change a company's liability, it just requires companies to make four quarterly payments instead of three," said Rick Homans, Secretary of the New Mexico Taxation and Revenue Department. Homans said the law regarding estimated payments was inadvertently changed in 2003 and the first estimated payment (due April 15<sup>th</sup> for calendar year corporations) was eliminated. The other three payments (July 15, October 15, and January 15) remained. The change in law provided corporate taxpayers with an unintended advantage, much like a deferred loan.

"The intent of the proposal is to put the law right back where it was before 2003, and to ensure that these estimated payments come in on time," Homans said. Adding the first quarterly payment between April 15 and June 30 will also provide approximately \$65 million in new General Fund revenue for the State of New Mexico for the current fiscal year that ends June 30<sup>th</sup>.

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