

YOU MAY QUALIFY FOR THE NEW MEXICO FRESH START PROGRAM

A review of information provided to the New Mexico Taxation and Revenue Department has initiated this notice of intent to assess for which you have been selected. These periods may qualify for the Fresh Start Program.

In addition to the periods included in this notice of intent to assess, you may have other periods that are either unfiled or filed incorrectly that could result in you owing additional tax, penalty, and interest. These other periods may also qualify for the Fresh Start Program.

WHAT IS THE FRESH START PROGRAM?

In an effort to promote better compliance with tax laws and make tax administration more user friendly, the New Mexico Taxation and Revenue Department has launched the Fresh Start Program to allow qualifying taxpayers to conduct "self-audits", under prescribed circumstances for one or more tax programs subject to the Tax Administration Act.

In the program, you review your records, either alone or with the guidance of a Department Auditor, to determine tax due and provide the required documentation to a Department Auditor. The Department will then issue a tax assessment excluding penalties and interest.

By utilizing the Fresh Start Program, **you can avoid paying both penalty and interest.** If you take advantage of the program, penalty will never accrue. However, if you are unable to pay the balance of the assessment within 180 days, interest will accrue on any remaining tax due from the time that tax was originally due.

WHO IS ELIGIBLE?

Acceptance into the program is not automatic; however, you are being offered an opportunity to enter into this program if you meet certain eligibility requirements. Listed below are some of the criteria defining who is eligible and who is not eligible for the Fresh Start Program.

Eligible:

- If the taxpayer demonstrates a willingness and ability to comply with New Mexico tax laws;
- If the taxpayer demonstrates an acceptable system of internal controls and business records (for many taxpayers, this may be income identified during a review of your federal return and/or business income in NM);
- If the taxpayer resources are available to conduct the "self-audit";

Not Eligible:

- If a tax liability has already been established for the periods in question;
- If the Department has notified you that the periods in question are currently under audit;
- If the Department is currently pursuing collections on the taxpayer for the periods in question;
- If the taxpayer is already in a legal dispute with the Department over the taxability of transactions for the periods in question;
- If the periods in question were part of a criminal investigation.

A taxpayer may approach the Department anonymously to ask if a certain situation meets general rules calling the hotline listed below.

HOW TO APPLY FOR THE FRESH START PROGRAM:

If you are interested in applying for the Fresh Start Program or have questions, please contact **<Auditor> at <Auditor phone number>**

If more information is needed on the program or if a paper application is needed, please contact the hotline at (505)841-6216.