

Tax Relief for COVID-19: Extension of Time to File and Pay New Mexico Taxes

*3/25/2020 Revised per IRS Notice 2020-18 and
6/30/20 Revised per HB-6 2020 Special Session*

The New Mexico Taxation and Revenue Department (TRD) has announced that New Mexico taxpayers qualify for extended return and payment deadlines due to the Coronavirus Disease 2019 (COVID-19) pandemic (emergency declaration) by the Federal Government and the COVID-19 statewide public health emergency declaration (Executive Order 2020-004) by the Governor of New Mexico, Michelle Lujan Grisham. These extensions affect personal income tax, fiduciary income tax, corporate income tax, and withholding tax. This bulletin will also provide an overview of the tax relief provided by HB-6 which was passed during the 2020 special legislative session and signed into law by Governor Michelle Lujan Grisham on June 29, 2020.

On March 20th, 2020, Secretary Stephanie Schardin Clarke authorized extensions for personal, fiduciary, and corporate income tax, as well as withholding tax, with her authority under Section 7-1-13 NMSA 1978. On March 21st, the Internal Revenue Service (IRS) issued a press release (IR-2020-58) and guidance (Notice 2020-18) automatically postponing the federal filing due dates for personal, fiduciary, and corporate income tax. For more information on IRS extensions click [here](#). It is important to note, these filing extensions are to help individuals who were unable to pay the tax due based on the dates and programs as outlined below. It is very important that if you have been unable to pay that you still file a timely return with the Taxation and Revenue Department based on the original due date if an extension below is not specified.

The New Mexico extensions and postponed due dates are as follows:

- Personal, fiduciary, and corporate income tax returns, return payments, and estimated payments, with a filing or payment due date of April 15th are postponed to July 15th, 2020. TRD will not assess penalty or interest if such tax due is paid in full no later than July 15th, 2020 due to the federal postponement. In addition, HB-6 allows for taxpayers who file their return by July 15th, 2020 to have until April 15, 2021 to pay the tax due in full without getting assessed late payment penalty or interest. Please note, failure to file a return by July 15th, 2020 will exclude the taxpayer from the penalty and interest relief through April 15, 2021.
- Personal, fiduciary, and corporate income returns, return payments, and estimated payments due between April 16th and July 14th, 2020 may be submitted without penalty no later than July 15th, 2020. In addition, HB-6 allows for taxpayers who have filed their return by July 15th, 2020 to have until April 15, 2021 to pay the tax due in full without getting assessed late payment penalty or interest. Please note, failure to file a return by the due date will exclude the taxpayer from the penalty and interest relief through April 15, 2021.
- The withholding tax return and payment **extension** includes withholding reported and paid using the combined reporting system (CRS). Withholding being reported and associated payments due between March 25th, 2020 and July 25th, 2020 may be submitted without penalty no later than July 25th, 2020. This return filing extension **does not apply** to gross receipts tax, governmental gross receipts tax, compensating tax, leased vehicle gross receipt receipts, leased vehicle surcharge (reported using CRS), or any other tax program that is not listed above.
- In addition, HB-6 allows for taxpayers who have filed their CRS returns timely, including the extension above for withholding and normal due dates for gross receipts tax and compensating tax that have been unable to pay timely to have until April 25th, 2021 to pay the tax due in full without getting assessed late payment penalty or interest. Please note, failure to file a return by the due date will exclude the taxpayer from the penalty and interest relief through April 25, 2021.

BULLETIN

B-100.35

Affected taxpayers **do not** have to call or write in to TRD. Currently, TRD is working on making system changes to reflect these extensions. While TRD is working to ensure automated letters are not sent in error, it is possible some taxpayers will receive letters regarding penalty and interest regarding taxes for the tax periods listed above. If you receive a letter in the mail regarding these taxes for the periods listed above, please feel free to write to TRD or disregard the letter.

Please note, if you are able and would like to pay and file your New Mexico returns you can file and pay free of charge through TRD's Taxpayer Access Point (TAP). If you were late paying a tax, but have since paid the tax, you may be due a refund of penalty and interest, the Department is processing those returns and refunds. You can check your refund status through TAP. TAP is available here: <https://tap.state.nm.us/Tap/>

In addition, all relief workers affiliated with a recognized government or philanthropic organization assisting in the relief activities New Mexico may be entitled to additional relief per Section 7-1-83 NMSA 1978.

Additional relief provided by HB-6, not previously addressed in this publication includes an extension to pay property tax that was originally due between April 10, 2020 to May 10, 2020 by May 10, 2021 without being assessed penalty and interest. For individuals who would like to know more about this please contact your [County Officials](#).

This bill also provides relief for health care providers, excluding hospitals licensed by the Department of Health, with an exemption for monies received by the federal government through payments pursuant to the federal Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act).

Note, monies from the CARES Act are only taxable if they are monies received to cover the receipts of services or property sold that are normally taxable under the Gross Receipts and Compensating Tax Act. If you have questions about a specific type of income from the CARES Act please email policy.office@state.nm.us.

Visit the Department's web site at <http://www.tax.newmexico.gov> for forms and instructions.

All TRD district offices are currently open on an appointment-only basis as part of the State's efforts to limit in-person contact in response to the COVID-19 public health emergency. Appointments at district offices can be made through the following numbers:

ALBUQUERQUE 505-841-6262
10500 Copper Pointe Avenue NE
Albuquerque, NM 87123
P.O. Box 8485
Albuquerque, NM 87198-8485

LAS CRUCES 575-528-6140
Taxation and Revenue Department
2540 S. El Paseo Bldg. #2
P.O. Box 607
Las Cruces, NM 88004-0607

SANTA FE 505-827-0920
Taxation and Revenue Department
Manuel Lujan Sr. Bldg.
1200 S. St. Francis Dr.
P.O. Box 5374
Santa Fe, NM 87502-5374

ROSWELL 575-627-2900
Taxation and Revenue Department
400 Pennsylvania Ave., Suite 200
P.O. Box 1557
Roswell, NM 88202-1557

FARMINGTON 505-599-9701
Taxation and Revenue Department
3501 E. Main St., Suite N
P.O. Box 479
Farmington, NM 87499-0479

Compliance Bureau: QRU – 505-470-3462

Call Center: 1-866-285-2996

General Information. FYIs and Bulletins present general information with a minimum of technical language. All FYIs and Bulletins may be obtained without charge from all local tax offices, the Tax Information and Policy Office in Santa Fe and the Department's Internet site.

This information is as accurate as possible at time of publication. Subsequent legislation, new state regulations and case law may affect its accuracy. For the latest information please check the Taxation and Revenue Department's web site at www.tax.newmexico.gov.

This publication provides instructions or general information to the taxpayer. It does not constitute a regulation or ruling as defined under Section 7-1-60, *New Mexico Statutes Annotated, 1978*. Taxpayers and preparers are responsible for being aware of New Mexico tax laws and rules. Consult the Department directly if you have questions or concerns about information provided in this Bulletin.