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Taxation and Revenue Department budget takes aim at improving service to constituents

Department seeks 4% increase to fill positions, update computer systems

SANTA FE— The Taxation and Revenue Department is asking for a 4% General Fund budget increase for FY24 to continue improving the quality of service it provides to New Mexicans.

The Department now has a 22.6% vacancy rate, down from about 30% at the beginning of 2019. The Department is currently authorized for 1,041 full-time equivalent positions and is requesting an additional \$1.7 million in FY24 to continue to reduce its vacancy rate. Having adequate staffing is key to making sure the Department can provide excellent customer service, collect and distribute revenues in a timely and accurate fashion, fight cyber threats, and successfully implement new legislation.

“Continuing to drive down our vacancy rate is critical to ensuring excellent service to our customers, including taxpayers, drivers, and local governments,” said Secretary Stephanie Schardin Clarke.

The budget request calls for \$75.7 million in General Fund spending, along with \$44.3 million in federal and other revenue sources, for a total request of \$120.1 million.

Taxation and Revenue is asking for a one-time, special appropriation of \$2.8 million to clear a backlog of needed IT system enhancements that could not be made in recent years due to lack of resources. The funding will allow enhanced tax and motor vehicle services offered online, improved automation of tax return processing, and myriad other efficiencies and improvements.

The Motor Vehicle Division looks to build on the success it’s had in online service offerings, which includes an 8-fold increase in online license renewals over the past three years.

The Department also is asking for \$150,000 to pay for new tax-filing assistance to low income and elderly taxpayers.

The Department this year distributed more than \$1 billion in rebates and economic assistance approved by the Legislature and Gov. Michelle Lujan Grisham. It is also implementing a variety of new, permanent tax relief measures, including a cut in the gross receipts tax, an income tax exemption for most Social Security retirement benefits and other reforms passed in the last legislative session.

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The Taxation and Revenue Department serves the State of New Mexico by providing fair and efficient tax and motor vehicle services. It administers more than 35 tax programs and distributes revenue to the State and to local and tribal governments throughout New Mexico.

The Department strives to reduce taxpayer burden through clearer communication, statutes, regulations, forms, correspondence and instructions.

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