



# 2013 New Mexico Personal Income Tax (PIT) Form Packet

P.O. Box 25122, Santa Fe, New Mexico 87504-5122

New Mexico  
Taxation and Revenue Department

## NOTE: ELECTRONIC FILERS

For the 2013 tax year: **BOTH FILE AND PAY**  
your New Mexico Personal Income Tax on the Internet to  
**EXTEND YOUR DUE DATE** to April 30, 2014.

Taxpayers who do not both file and pay electronically  
**MUST FILE BY APRIL 15, 2014.**

## Your Internet Services

- ◆ **Where's my Refund** - The status of your refund is available electronically through the Department's website, at [www.tax.newmexico.gov](http://www.tax.newmexico.gov). Select "Where's My Refund" or follow the links to Taxpayer Access Point (TAP). You will need your social security number and the amount of refund due.
- ◆ **Electronic Filing** - The Department encourages all taxpayers to file electronically whenever possible. Electronic filing is safe and secure and provides the fastest service for a refund due. Access our website to file over the Internet at no charge (except for payments made by credit card), or file electronically through your tax preparer or approved software on a personal computer. **See Page 6** of the instructions for electronic filing methods, or visit the Department website, [www.tax.newmexico.gov](http://www.tax.newmexico.gov). Click on "Online Services" and follow the links to Personal Income Tax E-filing.
- ◆ **Direct Deposit** - Taxpayers due a refund may have their refunds deposited directly into their bank accounts through "Refund Express." **See Page 30.**
- ◆ **Pay via credit card or electronic check** - Taxpayers may pay taxes over the Internet with Visa, MasterCard, American Express or Discover cards. A 2.40% convenience fee calculated on the amount of the transaction covers costs that the companies bill the state when you use your card. **You may also pay by electronic check at no charge.** An electronic check authorizes TRD to debit your checking account in the amount and on the date you specify. **See Page 13.**
- ◆ **Download forms, publications and brochures or ask a question** - Taxpayers may access forms, publications and brochures from our website. You can ask questions about your New Mexico tax return by using the e-mail address [TRD-TaxReturnHelp@state.nm.us](mailto:TRD-TaxReturnHelp@state.nm.us), or ask general questions about New Mexico taxes using the e-mail address [policy.office@state.nm.us](mailto:policy.office@state.nm.us).
- ◆ **New Mexico Taxpayer Access Point: TAP is a secure resource that allows taxpayers to check the status of tax accounts online, make payments, and change their address.** Access our website and select the Taxpayer Access Point (TAP) link. This resource is currently available for the following tax programs: Personal Income Tax (PIT), Corporate Income and Franchise Tax (CIT), Pass Through Entity (PTE), S Corporate Income and Franchise Tax (S-Corp), Combined Reporting System (CRS), E911 Services Surcharge (911), Combined Fuel Tax (CFT), Cigarette Tax (CIG), Fiduciary Income Tax (FID), Bingo and Raffle Tax (BRT), Conservation Tax (CNS), Gaming Operator Tax (GMO), Gaming MFG and Distributor Tax (GMD), Water Conservation Fee (H2O), OGP Withholding Tax (OGP), Local Liquor Excise Tax (LLQ), Liquor Excise Tax (LIQ), Resource Excise Tax (RES), Severance Tax (SEV), Alternative Fuels Excise Tax (AFD), Tobacco Products Tax (TPT), Telecommunications Relay Service Surcharge (TRS), Weight Distance Tax (WDT), and Workers' Compensation Fee (WKC). **The status of your refund is available through the "Where is my Refund" link** -- for PIT, CIT, S-Corp and CRS tax programs. You will need your social security number (SSN), Federal Employer Identification Number (FEIN), or CRS Identification number and the amount of refund due.

For a **Faster Refund** file on the Internet

[www.tax.newmexico.gov](http://www.tax.newmexico.gov)

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**Local Taxation and Revenue Department Offices:** Local tax offices can provide full service and information about New Mexico's taxes, programs and forms and specific information about your filing situation. If you have questions or require additional information, you may contact your local Taxation and Revenue Department Office.

**ALBUQUERQUE:**

Taxation & Revenue Department  
Bank of the West Building  
5301 Central Ave., NE  
P.O. Box 8485  
Albuquerque, NM 87198-8485  
Telephone: **(505) 841-6200**

**FARMINGTON:**

Taxation & Revenue Department  
3501 E. Main Street, Suite N  
P.O. Box 479  
Farmington, NM 87499-0479  
Telephone: **(505) 325-5049**

**LAS CRUCES:**

Taxation & Revenue Department  
2540 S. El Paseo, Building #2  
P.O. Box 607  
Las Cruces, NM 88004-0607  
Telephone: **(575) 524-6225**

**ROSWELL:**

Taxation & Revenue Department  
400 North Pennsylvania, Suite 200  
P.O. Box 1557  
Roswell, NM 88202-1557  
Telephone: **(575) 624-6065**

**SANTA FE:**

Taxation & Revenue Department  
1200 South St. Francis Drive\*  
P.O. Box 5374  
Santa Fe, NM 87502-5374  
Telephone: **(505) 827-0951**

\*Through February 2014, *visitors go to 2968 Rodeo Park Drive West.* The physical office location in Santa Fe has relocated during a renovation of the existing building. While the renovation is in progress, special delivery packages shipped through Fed Ex and UPS should continue to be sent to the 1200 South St. Francis Drive address and mailing through USPS should be sent to the P. O. Box 5374 address.

**Main switchboard (Santa Fe): (505) 827-0700**

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**Forms, instructions and general information brochures are available on the Department's Internet home page.**

**Our address is:**

**[www.tax.newmexico.gov](http://www.tax.newmexico.gov)**

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**NOTE: When to Call About Your Refund.** Generally, electronically filed returns claiming a refund are processed within two to four weeks. A paper return received in the Department early in the tax season takes six to eight weeks. If you file a paper return after March 15, you may not receive your refund for up to 12 weeks. Before inquiring about your refund, please allow sufficient time for the Department to process your refund claim.

**The Status of Your Refund is Now Available Electronically** through the Department's website. Go to [www.tax.newmexico.gov](http://www.tax.newmexico.gov), click **Online Services**, and then in the center of the page, click **check the status of a tax refund**. You need your social security number(s) and the amount of refund due to see your status.

If you need to call to ask where your refund check is, please wait until sufficient time has passed for the Department to process your refund claim before calling (505) 827-0827. When you call or visit us on the web, please have a copy of your tax return available.

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**NEW MEXICO GROSS RECEIPTS TAX**

IF YOU ARE SELF-EMPLOYED, RUN A BUSINESS OUT OF YOUR HOME, OR WORK FOR SOMEONE ELSE BUT DO NOT HAVE WAGE TAXES WITHHELD, you may be required to register with the Department for gross receipts tax. Businesses that sell or lease goods and other tangible property or perform services in New Mexico may be subject to New Mexico gross receipts tax. All businesses having a gross receipts tax reporting obligation must register with the New Mexico Taxation and Revenue Department to obtain a tax identification number, tax reporting forms and instructions. For more information please contact your local Taxation and Revenue Office.

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**Privacy Notification**

The New Mexico Taxation and Revenue Department requires taxpayers to furnish social security numbers as a means of taxpayer identification. All information supplied electronically by taxpayers is protected using encryption and fire walls. Taxpayer information on returns is protected in accordance with the confidentiality provisions of the Tax Administration Act (Section 7-1-8, NMSA 1978).

[www.tax.newmexico.gov](http://www.tax.newmexico.gov)

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## Legislative Changes

Three new voluntary contributions have been enacted to Schedule PIT-D, for those taxpayers who wish to donate all or part of their personal income tax refund.

- Veterans Enterprise Fund voluntary contribution to carry out the programs, duties or services of the Veterans Services Department.
- Lottery Tuition Fund voluntary contribution provides tuition assistance for New Mexico resident undergraduates.
- Horse Shelter Rescue Fund voluntary contribution helps horse rescues and homeless horses in New Mexico.

For a complete list of tax law changes enacted during 2013, see [Publication B-100.24, 2013 Legislative Summary](#).

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## Tax Rebates and Credits Available to Qualifying Low-income Filers

- ◆ Taxpayers not required to file a federal tax return with the IRS also are not required to file a New Mexico Personal Income Tax return, BUT they may want to do so to claim certain rebates and credits for low-income filers. You may also want to review Schedule PIT-RC and instructions to determine whether you qualify for *any* of the low-income rebates and credits that may be claimed on that schedule. You may also refer to [Brochure #2, Tax Information for New Mexico's Low-Income Filers](#), on the Department web page, [www.tax.newmexico.gov](http://www.tax.newmexico.gov). Search for Brochure #2.
- ◆ **Earned Income Tax Credit (EITC)** - You may be eligible for an Earned Income Tax Credit (EITC) from the Internal Revenue Service (IRS) if you are a low-income working individual or family. The EITC reduces your federal tax and may result in a refund from the IRS. To see if you may claim the credit, read the rules in the federal 1040, 1040A, and 1040EZ tax packages or see IRS Publication 596. You may also read about the EITC on the IRS website at [www.irs.gov](http://www.irs.gov) and download the publication there.
- ◆ **Working Families Tax Credit** - A resident who was a New Mexico resident during any part of 2013 and who files a New Mexico personal income tax return may claim a credit in an amount equal to ten percent of the Federal EITC for which that individual is eligible for the same tax year. An individual who qualifies for the working families tax credit may receive a refund if the credit exceeds the income tax liability for the tax year of the claim.
- ◆ **Low-Income Comprehensive Tax Rebate** - Residents of New Mexico who have been physically present in New Mexico for at least six months during the 2013 tax year and whose modified gross income is \$22,000 or less may claim the low-income comprehensive tax rebate. NOTE: You cannot claim this rebate if you were eligible to be claimed as a dependent of another taxpayer for 2013, or you were an inmate of a public institution for more than six months during 2013.
- ◆ **Low- and Middle-Income Tax Deduction** - A personal income tax exemption is offered for low- and middle-income taxpayers. The maximum is \$2,500 for each person claimed as an exemption. The amount varies according to filing status and federal adjusted gross income. Single persons qualify for the exemption when federal adjusted gross income is \$36,667 or less; married persons filing joint returns, surviving spouses and head of household filers qualify when federal adjusted gross income is \$55,000 or less, and married persons filing separate qualify when federal adjusted gross income is \$27,500 or less.
- ◆ **Child Day Care Credit** - New Mexico residents who have a modified gross income of \$30,160 or less, may claim a credit (which may not exceed \$1,200) for expenses for dependent child day care necessary to enable gainful employment. The claimant, and spouse if applicable, must be gainfully employed for that part of the tax year for which the credit is claimed, not be a recipient of public assistance under the Temporary Assistance for Needy Families program (TANF), the New Mexico Works Act or similar program for that part of the tax year for which the credit is claimed, and not have been reimbursed or compensated for the expenses in any way. Other restrictions apply to both the claimant and the caregiver. See the instructions.
- ◆ **Property Tax Rebate** - New Mexico residents age 65 and older, who have a modified gross income of \$16,000 or less, may qualify for the property tax rebate. The property tax rebate helps with tax billed or rent paid on your principal place of residence. The property tax rebate may not exceed \$250 (\$125 for a married taxpayer filing a separate return). The taxpayer must be physically present in New Mexico for at least 6 months during 2013, and neither eligible to be claimed, nor actually claimed, as a dependent of another taxpayer for 2013, and was not an inmate for more than 6 months during 2013.
- ◆ **Property Tax Rebate for Low-Income Residents of Los Alamos or Santa Fe Counties** - A resident whose principal place of residence is in Los Alamos or Santa Fe County only; has a modified gross income of \$24,000 or less; was a resident of New Mexico during 2013; was physically present in New Mexico for at least 6 months during 2013; is neither eligible to be claimed, nor actually claimed, as a dependent of another taxpayer for 2013; and was not an inmate of a public institution for more than 6 months during 2013, may qualify for this rebate. NOTE: The property tax rebate may not exceed \$350 (\$175 for a married taxpayer filing a separate return).

TAXATION AND REVENUE DEPARTMENT  
P.O. BOX 25122  
Santa Fe, NM 87504-5122

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U.S. POSTAGE  
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State of New Mexico



# Many Happy Returns when you E-File Your Taxes!

[www.tax.newmexico.gov](http://www.tax.newmexico.gov)

Fast . . . Easy . . . Secure!

**A MESSAGE FROM CABINET SECRETARY DEMESIA PADILLA, CPA  
NEW MEXICO TAXATION AND REVENUE DEPARTMENT:**

*I want to encourage all New Mexicans to file their tax returns online -- not only will you receive your refund check faster (usually within two weeks) -- we can also deposit your refund check directly into your personal checking or savings account. E-filing is fast and secure. If speed and convenience isn't enough, you have until April 30, 2014 to e-file your tax return when you also electronically pay your tax. Take advantage of this free and easy service and file your taxes online today by logging on to our website at [www.tax.newmexico.gov](http://www.tax.newmexico.gov).*

*If you don't have access to a home computer or need help filing your tax return, please visit your local Taxation and Revenue office.*

*MANY HAPPY RETURNS!*

[www.tax.newmexico.gov](http://www.tax.newmexico.gov)

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# INSTRUCTIONS FOR 2013 PIT-1, NEW MEXICO PERSONAL INCOME TAX RETURN

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## CONTACTING THE DEPARTMENT

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### Information and Forms

Forms and instructions are available on our Internet home page at [www.tax.newmexico.gov](http://www.tax.newmexico.gov).

### Online Services Available

TAP, *Taxpayer Access Point*, is a secure online resource that allows taxpayers to:

- Review return, payment, and refund information.
- Pay existing tax liabilities online.
- Check the status of a refund.
- Change contact information.
- Register a business.

Currently, TAP allows access to 13 tax programs, including the PIT and gross receipts tax programs. Go to [www.tax.newmexico.gov](http://www.tax.newmexico.gov), click **Online Services**, and then on the left under **Online Services**, click **Manage My Account**. Under **Links**, click **Taxpayer Access Point (TAP)**.

### E-mail and Phone Correspondence

Go to [www.tax.newmexico.gov](http://www.tax.newmexico.gov), click **About Us**, and then click **Contact Us**. On the left, under **Contact Us**, click **E-mail Us**. This link lets you send an e-mail on a specific tax topic directly to the Department's subject matter expert for that topic.

For personal income tax, send questions about the return, instructions, a submitted return, or your refund to us at [TRD-TaxReturnHelp@state.nm.us](mailto:TRD-TaxReturnHelp@state.nm.us). Send general questions about New Mexico taxes to [policy.office@state.nm.us](mailto:policy.office@state.nm.us).

For telephone assistance, call (505) 827-0827 or your local district office listed at the front of this packet. The toll free number is (866) 809-2335, option 3.

Order forms by calling (505) 827-2206.

**If you want to write us about your return**, please address your letter to:

Personal Income Tax Correspondence  
Taxation and Revenue Department  
P. O. Box 25122  
Santa Fe, NM 87504-5122

If you write us for information or to order forms after April 1, do not rely on receiving the forms or a response to your correspondence before the due date of the personal income tax return.

### Need Help with Your Return?

Contact your local district office or call (505) 827-0827 for general assistance with filing your return and for

tax help. The toll free number is (866) 809-2335, option 3.

Assistance in preparing your tax return may be available from the following organizations:

- Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE). Volunteers give free or low-cost help to low income, elderly, and disabled individuals. Watch for VITA and TCE information in your community for the location nearest you.
- Some senior citizens' centers. Contact the center for dates and times.
- Some social service agencies. They either provide assistance or direct you to other free or low-cost tax preparation assistance programs.
- Department district offices. They offer tax information and forms, and can direct the low income and elderly to local tax preparation assistance.
- Software preparation services or a tax preparer.

Visit our website at [www.tax.newmexico.gov](http://www.tax.newmexico.gov) for information on tax assistance for senior citizens and low-income filers.

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If you need to call to ask where your refund check is, please wait until sufficient time has passed for the Department to process your refund claim before calling (505) 827-0827. When you call or visit us on the web, please have a copy of your tax return available.

# GENERAL INFORMATION

## WHO MUST FILE

New Mexico's law says every person:

- Who is a New Mexico resident or has income from New Mexico sources **and**
- Who is required to file a federal income tax return

must file a personal income tax return in New Mexico.

### **New Mexico Residents**

If you are a New Mexico resident, you must file a New Mexico return if you meet **any** of the following conditions:

- You must file a federal return.
- You want to claim a refund of any New Mexico state income tax withheld from your pay.
- You want to claim any New Mexico rebates or credits.

### **Non-Residents**

Non-residents, including foreign nationals and persons who reside in states without income taxes, must file in New Mexico when they have a federal filing requirement and have income from any New Mexico source whatsoever.

### **Military Servicemembers**

If you are a member of the United States armed forces, were a resident of New Mexico at the time of enlistment, and have not changed your legal residence for purposes of withholding state income tax from military pay, your income may be taxable to New Mexico. You are required to file a resident return.

**NOTE:** You may claim a deduction for military active duty pay included in federal adjusted gross income.

You are still a New Mexico resident if your permanent home (domicile) was in New Mexico when you entered the military, and you kept New Mexico as your legal residence for state withholding tax purposes. You must file a New Mexico resident return even if you are presently serving outside New Mexico.

Your military pay is not subject to New Mexico income tax if your permanent home (domicile) was in New Mexico when you entered the military, but you have established domicile in another state and changed your legal residence for withholding state income tax.

Military pay of an enrolled member of an Indian nation, tribe, or pueblo is exempt when the servicemember's home of record is on the lands of that Indian nation, tribe, or pueblo and the legal residence for state withholding tax purposes has not been changed.

### **Military Servicemembers' Spouses**

Beginning with tax year 2009, the Military Spouses Residency Relief Act allows military servicemembers' spouses, who move to a state solely to be with their spouses who are in that state because of military orders, to keep the residency status of their state of domicile and allocate their non-military wages, salaries, tips, and other income from services performed to their state of residence, even if it was earned in another state.

The following restrictions apply:

- The servicemember must have declared "legal residence for purposes of withholding state income taxes from military pay" in the other state.
- The servicemember must be in the state in compliance with military orders.
- The servicemember's spouse must be in the state solely to be with their spouse.

**NOTE:** The non-resident servicemember must continue to allocate non-military income from services performed to the state in which the income was earned.

A resident of New Mexico who, is a qualifying servicemember's spouse living in another state, completes a PIT-1, *New Mexico Personal Income Tax* return, as a resident taxpayer and

allocates wages, salaries, tips, and other income from services performed on Schedule PIT-B, as if from New Mexico sources. The resident does this even if the income was earned in another state. See *Guidance for New Mexico Resident Military Spouses Claiming Relief From Another State's Income and Withholding Tax Requirements* on the Taxation and Revenue Department's website at [www.tax.newmexico.gov](http://www.tax.newmexico.gov) for details. Search for Form RPD-41348 and then click the Guide link.

A non-resident of New Mexico, who is a qualifying servicemember's spouse living in New Mexico, completes a New Mexico PIT-1 return as a non-resident taxpayer and allocates income from services performed in New Mexico to their state of residence on Schedule PIT-B. A part-year or first-year New Mexico resident, who is a qualifying servicemember's spouse, allocates income from services performed in New Mexico to New Mexico during periods in which they were residents of New Mexico.

A military servicemember's spouse, who is eligible to claim an exempt New Mexico withholding status based on the Military Spouses Residency Relief Act, must annually submit Form RPD-41348, *Military Spouse Withholding Tax Exemption Statement*, to the employer or payor responsible for withholding New Mexico tax. A copy, signed by the employer or payor, must be kept in the taxpayer's records. Do not submit Form RPD-41348 with your PIT-1 return unless the Department requests the copy. A new Form RPD-41348 must be signed by the employer or payor annually, or when the military servicemember's spouse situation changes.

### **Member of an Indian Nation, Tribe, or Pueblo**

The income of Indians who worked or lived on lands outside the Indian nation, tribe, or pueblo of which they are members is subject to New Mexico personal income tax.

Enrolled members of an Indian nation, tribe, or pueblo who lived on the lands of the Indian nation, tribe, or pueblo where they are members and whose entire income was earned from work on those lands do not need to file a New Mexico income tax return. The income of a spouse or dependent of an “enrolled member” is also exempt, provided the spouse or dependent lives and works within the boundaries of the member’s nation, tribe, or pueblo.

Lands include formal and informal reservations, dependent Indian communities, and Indian allotments, whether restricted or held in trust by the United States.

Military pay of an enrolled member of an Indian nation, tribe, or pueblo is exempt when the servicemember’s home of record is on the lands of that Indian nation, tribe, or pueblo and the legal residence for state withholding tax purposes has not been changed.

Retirement or pension income is exempt only when the enrolled member lives within the boundaries of the member’s nation, tribe, or pueblo, and the retirement or pension is the result of employment on the member’s Indian nation, tribe, or pueblo. Retirement or pension income from employment off the lands of the nation, tribe, or pueblo may not be exempted.

### **Definitions of Domicile, Resident, First-Year Resident, Part-Year Resident, and Non-Resident**

For most taxpayers, your resident status for income tax purposes depends on **where you were domiciled** during the tax year **and** whether you were **physically present in New Mexico for a total of 185 days or more** during the tax year.

#### **Domicile**

Your domicile is the place you intend as your permanent home. It is the **state** where your permanent home is located and where you intend to return whenever you are away (as on vacation, business assignment, educational leave, or military assignment). **You can have only one domicile.** Your New Mexico domicile is not

changed until you can show that you have abandoned it and established a new domicile outside New Mexico.

A change of domicile must be **clear and convincing**. Easily controlled factors are **not** the primary factors to consider in deciding where you are domiciled. If you move to a new location but intend to stay there only for a limited amount of time (no matter how long), your domicile does not change. If your domicile is New Mexico and you go to a foreign country for a business or work assignment, or for study, research, or any other purpose, your domicile does not change unless you show that you definitely do not intend to return to New Mexico.

**Physical Presence.** To determine whether you were physically present in New Mexico for a total of 185 days, count each day you were here for 24 hours. For example, a person who resides in Texas but works in New Mexico was physically present in New Mexico for 185 partial days during the tax year. Because he was not here for 24 hours for any day, he is not a resident for New Mexico income tax purposes.

**NOTE:** The 185 days do not have to be consecutive.

#### **Resident**

For purposes of the Income Tax Act, you are a New Mexico **resident** if your domicile was in New Mexico for the entire year, **or** if you were physically present in this state for a total of 185 days or more during the tax year, regardless of your domicile.

**Residents include persons temporarily residing in New Mexico who plan to return to their out-of-state residence and who are physically present in New Mexico for 185 days or more.** Included are students, persons vacationing in New Mexico, and those temporarily assigned to work in New Mexico.

Military personnel temporarily assigned to New Mexico who have established legal residence for purposes of income tax withholding outside New Mexico are not New Mexico residents.

Spouses who accompany military personnel to New Mexico, and do not qualify under the Military Spouses Residency Relief Act, must report as residents of New Mexico, regardless of domicile, if they are physically present in New Mexico for 185 days or more.

#### **First-Year Resident**

You are a **first-year resident** if you moved to New Mexico during the tax year with the intent of making New Mexico your permanent place of residence. A first-year resident need not have been physically present in New Mexico for at least 185 days. A former New Mexico resident who returns to the New Mexico may file as a first-year resident if that person has been a non-resident for at least one full tax year.

#### **Part-Year Resident**

A New Mexico **part-year resident** is a person who was a New Mexico resident for part of the year **and** was not physically present in New Mexico for 185 days or more, but on December 31 was no longer domiciled in New Mexico and had moved to another state, intending to maintain domicile status in that other state.

Part-year residents and first-year residents who change domicile during the year are not residents of New Mexico for income tax purposes for periods when the taxpayer’s domicile is outside New Mexico.

For example, if you moved to New Mexico during the tax year, intending to make New Mexico your permanent place of residence, your income is taxed as non-resident for the period before your move to New Mexico. Additionally, if you were a New Mexico resident for fewer than 185 days during the tax year, and before December 31 you moved to another state, intending to maintain domicile status in that other state, your income is non-resident income for periods after your move.

#### **Non-Resident**

You are a New Mexico **non-resident** if you were not domiciled in New Mexico for any part of the tax year **and** you were not physically present

in New Mexico for at least 185 days. Military personnel and qualifying servicemember's spouses who are temporarily assigned to New Mexico, but who have established residence in another state, claim non-resident filing status.

**NOTE:** Except for certain military personnel, certain military spouses and first-year residents, you must indicate **R** in the **Residency status** box 1e on PIT-1, page 1 if you were physically present in New Mexico for more than 185 days during the tax year. For income tax purposes you are a resident of New Mexico.

**Taxpayers Domiciled in Another State and Filing a PIT-1 Return as Residents of New Mexico.** If you are required to file a New Mexico personal income tax return as a New Mexico resident, but you are also required to file and pay tax to another state because your domicile is in another state, complete Schedule PIT-B to allocate and apportion your income to New Mexico. Then, claim a credit for taxes paid to another state on PIT-1, line 20, for income taxed by both states.

### Refunds, Rebates, and Credits

Even if you are not required to file a return, you should file for a refund if New Mexico income tax was withheld. You also may qualify for one or more credits or rebates offered by New Mexico. Attach Schedule PIT-RC if you are eligible to claim the low income comprehensive tax rebate, the property tax rebate for persons 65 years of age or older, an additional low income property tax rebate for Los Alamos or Santa Fe County residents, or New Mexico child day care credit.

**General qualifications** for an individual claiming these credits or rebates are **all** of the following:

- You were a resident of New Mexico during the tax year.
- You were physically present in New Mexico for at least six months during the tax year.
- You were **not** eligible to be claimed as a dependent of another taxpayer for the tax year.
- You were **not** an inmate of a public

institution for more than six months of the tax year.

You may also use Schedule PIT-RC if you are eligible to claim **any** of the following:

- Refundable medical care credit for persons 65 or older,
- Special needs adopted child tax credit,
- Renewable energy production tax credit, **or**
- Refundable portion of film production tax credit.

There are other eligibility requirements for various refundable rebates and credits. For details, see the specific line item in the Schedule PIT-RC instructions.

### Royalty Income of Non-Residents

Non-resident taxpayers who elect to compute tax on **gross** royalty income under \$5,000 instead of filing a complete PIT-1 return and Schedule PIT-B must mark the box on line 18a of the PIT-1 with a **Y**, instead of an **R** for computing tax using the rate table, or **B** for computing tax using Schedule PIT-B. The indicator lets the Department know you have gross royalty income from New Mexico sources of less than \$5,000; you do not have any other income sourced to New Mexico; and you have elected to compute New Mexico income tax due based on the **gross** royalty income received.

To complete the PIT-1 return using this election, complete lines 1 through 8, 17, 18, 22, and 23 and lines 26 through 41. You must leave lines 9 through 16a blank. Enter your total **gross** royalty income from New Mexico sources on line 17 and follow the instructions for lines 18, 22, and 23 and lines 26 through 41. When you compute your tax in this way, you cannot reduce your income by the standard deduction or exemption amounts or any credits.

### Representatives of Deceased Taxpayers

If a taxpayer dies before filing a return for 2013, the taxpayer's spouse or personal representative may need to file and sign a return for that taxpayer. Do not enter the deceased taxpayer's

name if that person is not required to be entered on the federal or New Mexico return. A personal representative can be an executor, administrator, or anyone in charge of the deceased taxpayer's property.

If a taxpayer did not need to file a federal return, but New Mexico income tax was withheld, the representative must file a New Mexico return to claim a refund. File a joint New Mexico return if a joint federal income tax return was filed for the deceased taxpayer and the surviving spouse.

The filing date for the return of a deceased taxpayer is the same as if the taxpayer had lived.

The person filing the return for the deceased enters the month, day, and year of **death** on PIT-1, page 1, line 1f or 2f. Enter the claimant's name and social security number on lines 4a and 4b **only** if the refund check must be made payable to someone other than the surviving spouse or to the estate of the taxpayer.

If the return shows an overpayment, and you are a court-appointed or certified personal representative requiring the refund to be made payable to you, enter the claimant's name and social security number. Attach the following to the taxpayer's refund claim:

- Form RPD-41083, *Affidavit to Obtain Refund of New Mexico Tax Due a Deceased Taxpayer*, and
- A copy of the death certificate or other proof of death.

### Pass-Through Entities and S Corporations

Partnerships and other pass-through non-corporate entities, including limited liability partnerships (LLPs) and limited liability investment companies (LLICs) are not subject to New Mexico personal income tax, but individual members of the partnership or company are. If the entity has any partner or owner who is a New Mexico resident, or if the entity has any income from New Mexico sources, it must provide to each partner or owner the information necessary to file a New Mexico personal income tax return.



Beginning January 1, 2012, annual withholding\* from owners, members, or partners (owners) of a pass-through entity (PTE) is required. PTEs are required to withhold from the owner's share of the PTE's allocable net income earned in the year at the rate of 4.9%. Certain exceptions to the requirement to withhold are allowed, and documentation must be maintained in the PTE's records to establish that the PTE had reasonable cause for not withholding. A complete list of exceptions is provided in the instructions for Form RPD-41367, *Annual Withholding of Net Income From a Pass-Through Entity Detail Report*. The withholding is reported on Form RPD-41367.

\* For tax year 2011 only, PTEs were required to withhold quarterly from the owner's share of the PTE's net income earned.

A PTE must also file the annual PTE return. An S corporation must file the S-Corp return. For complete details, see the instructions for those returns.

### Estates and Trusts

Estates and trusts are subject to New Mexico personal income tax. The fiduciary for an estate or trust files FID-1, *Fiduciary Income Tax Return*. See the instructions for the FID-1 return for more details. Each beneficiary of an estate or trust includes the beneficiary's share of the estate or trust income on the New Mexico personal income tax return even if the estate or trust itself was not required to file a FID-1.

### Community Property and Division of Income

New Mexico is a community property state, and all assets and liabilities acquired during a marriage are the community property of both spouses, unless the property is separate property. Debt established during a marriage is the liability of both spouses, even after the marriage is dissolved. Debt established before or after a marriage is considered separate debt, and only 50% of community property may be pursued to clear separate debt.

When a couple files married filing separately, each spouse reports 50% of community income and all income

generated from the separate property of the spouse who owns the property. A spouse may not need to report half of certain combined community income (e.g., wages, salaries, professional fees, pay for professional services, partnership income, trade or business income, and social security benefits) if **all** of the following conditions exist:

- You and your spouse lived apart all year.
- You and your spouse did not file a joint return.
- You and your spouse had wages, salaries, and professional fees that are community income.
- You and your spouse did not transfer (directly or indirectly) any of the wages, salaries or professional fees between you and your spouse during any part of the year.

Report half the total of all other types of community income (dividends, rents, royalties, or gains) if you meet all of the above criteria. See FYI-310, *Community Property, Divorce, Separation and Your New Mexico Income Tax*, for further details.

### Married Filing Separately

For married persons filing separately, persons separated or divorced during the year, or married persons filing jointly, claiming the exemption for income of persons 100 years or older, both your New Mexico and federal returns **MUST** reflect a correct division of **community and separate income and payments**. If your income and payments are not evenly distributed, attach a copy of a statement reflecting a correct division of community and separate income and payments.

See also the instructions for Schedule PIT-B for allocation and apportionment rules for the community property when one spouse is a resident (but not both spouses), the couple is filing a joint return, and the couple has income from sources both in and out of New Mexico.

### Innocent or Injured Spouse Relief, Separation of Liability, and Equitable Relief

If you believe a joint federal tax liability should be paid solely by your

spouse due to an understatement of tax, divorce, or separation, you may be able to claim Innocent Spouse Relief, Separation of Liability, or Equitable Relief from the Internal Revenue Service (IRS).

If you file a joint tax return and all or part of your portion of the overpayment (for community property) was or is expected to be applied (offset) to your spouse's legally enforceable past-due liability, you may be able to claim Injured Spouse Relief from the IRS. Please refer to IRS Publications 971, *Innocent Spouse Relief*, and 504, *Divorced or Separated Individuals*.

Although state law prohibits the Department from forgiving state taxes due, the Department Secretary has the discretion to decline to bring collection action against an "innocent or injured spouse" when it is unfair to hold that spouse liable. When relief is granted in writing by the IRS, the spouse receiving the relief may provide the documentation of the relief to the Department and request the Department to decline to bring or to cease collection action against them to the extent they are granted relief by the IRS.

Additionally, you may request from the Secretary that collection action not be brought against you for **any** of the following:

- Liabilities established by your spouse when the income that established the liability were not claimed as community property.
- You expect your portion of community property to be offset to clear the spouse's separate debt.
- Business-related debt, when you can show that you had no knowledge of the business, did not benefit from the business, and the income from the business was not claimed as community property.

To request relief from the Department, submit a written request to New Mexico Taxation and Revenue Department, P.O. Box 630, Santa Fe, NM 87504-0630, or to your local district office. The addresses of the district offices are on the back of the front cover of this packet. Do not attach the

request for relief with your PIT-1 return.

Remember to provide proof that you qualify for relief.

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## FILING METHODS

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You can file your PIT-1, *New Mexico Personal Income Tax* return on paper, the traditional way, or electronically. We describe the two options here to help you choose the most convenient method for you.

### The Taxation and Revenue Department encourages you to file electronically whenever possible.

Electronic filing is fast and secure and provides these benefits:

- You receive your refunds faster.
- We save tax dollars in processing costs.
- Filing is free. It is also fast, easy, and secure.
- Your filing deadline is extended to April 30, 2014, if you also electronically file your payment. (Returns filed on paper are due by April 15, 2014.)

For more about deadlines and other filing information, see **WHEN AND WHERE TO FILE AND PAY**, page 12.

### GETTING PAPER TAX FORMS

The Department provides **paper** Personal Income Tax forms to fill out by hand and mail back to the Department. You can get paper New Mexico tax forms in person, by phone, or by downloading them from the Department website.

**In person.** Ask for the forms at the Department's local district offices listed inside the front cover of this packet. Some local libraries also may carry New Mexico tax forms.

**By phone.** Order forms by calling the Department at (505) 827-2206.

**Downloading forms and instructions.** To download tax forms with Adobe Acrobat from the Department's website, follow these steps:

1. Go to [www.tax.newmexico.gov](http://www.tax.newmexico.gov).
2. Click **Personal Tax Forms** (the link with a picture of a clock).

### USING TAX SOFTWARE

Many companies sell software products with tax forms approved by the Department. You can buy these products to complete your income tax return on your personal computer. After completing the forms, you can electronically file or print and mail your tax return to the Department.

**CAUTION: Submit only high-quality, printed, original forms to the Department.** A poor print or photocopy of a form from our website or from an approved software product delays processing your return and your refund, credit, or rebate.

**File your return on forms approved by the state.** Always submit your Personal Income Tax return on official state forms provided or approved by the Department. If you use a software product to generate your forms, the Department must first have approved the forms from the software company.

The Department approves forms from companies that follow our specifications and format requirements for the printed form. Our acceptance of a company's forms does not imply endorsement by the Department or assurance of the quality of the company's services.

For a list of companies and products with PIT-1 forms approved by the Department, follow these steps:

1. Go to [www.tax.newmexico.gov](http://www.tax.newmexico.gov).
2. Click **Tax Professionals** and in the drop-down box, click **Software Developers**.
3. Under **Helpful Documents**, click **Approved Software Developers for the Reproduction of 2013 New Mexico Tax Forms**.

You can also call (505) 827-2481 to get the information.

When using any computer-generated Personal Income Tax form, you must comply with the printing and legibility

requirements of the software company. If your printer can clearly print a logo, it can print a quality tax form.

**IMPORTANT:** Never submit a **photocopy** of the form you print from your computer. Always submit the original print form and keep a copy for your records.

### FILING ELECTRONICALLY

The Department offers two ways to file your Personal Income Tax return electronically. Both ways allow you to file either a refund return or a tax-due return. You file electronic returns through the Department's website or the Federal/State Electronic Filing Program. For details, see *Using the Federal/State Electronic Filing Program (Fed/State)* later in this section.

**Restrictions.** Certain restrictions on who may file and the types of returns eligible for electronic filing may apply, depending upon the electronic filing software. The Department and Internal Revenue Service (IRS) websites listed in the next sections give you information about your Personal Income Tax electronic filing options. There are Internet browser requirements for filing over the Internet. Details about these requirements are available on the Department and IRS websites.

If you plan to have a professional tax preparer file your return electronically, you may contact the preparer for more information about electronically filing.

### USING THE DEPARTMENT'S WEBSITE

If you have access to the Internet from a personal computer, free electronic filing is available on the Department's website at [www.tax.newmexico.gov](http://www.tax.newmexico.gov). However, if any of these situations is true, you cannot use the website:

- You are a fiscal year filer.
- You are married filing jointly, and you or your spouse are dependents of another taxpayer.
- You are claiming an additional

amount of tax for a lump-sum distribution (filing Federal form 4972) and Schedule PIT-B because you have income from sources inside and outside New Mexico.

- You are claiming the additional property tax for low income residents of Los Alamos and Santa Fe county, and your current address has changed.

In these situations, you must file on paper or electronically with an alternative software product.

To file electronically from the Department's website, follow these steps:

1. Go to [www.tax.newmexico.gov](http://www.tax.newmexico.gov) and click **Online Services**.
2. Scroll to the bottom of the page and under Links, click **New Mexico WebFile**. This takes you to the New Mexico WebFile Unified Logon Service.
3. For security purposes, you must build an online profile to login to the Unified Logon Service and access E-filing Services. Enter the required information for your profile.
4. When you see **Account Created**, click **Continue**.
5. Enter your **Login Name and Password**, and then click **Go!**
6. Under **For Individuals**, click **Personal Income Tax for 2013 Tax Year**. The **Welcome to Tax Year 2013** page displays with helpful buttons at the top right:
  - **Navigation TIPS**
  - **Before You Start**
  - **Contacting the Department**
  - **Start/View Your Return**
7. When you are ready to begin filling out your tax return information, click **Start/View Your Return**.
8. After you complete your return, follow the prompts to submit your return electronically. **To successfully file your return, read and follow all instructions.** Immediately after receiving and accepting your submission, the system displays a confirmation number on the page.
9. Print a copy of your return along with the confirmation number for

your records. The confirmation number is your proof and verification that you filed electronically.

For help with TAP, send email to [TRD-Customerassistance@state.nm.us](mailto:TRD-Customerassistance@state.nm.us).

**IMPORTANT:** Do **not mail** the return you printed or any copy to the Department.

**Refunds.** If you are due a refund, you may choose to receive a check or have the refund deposited directly into your checking or savings account. The Department is not responsible for the misapplication of a direct deposit refund caused by the error, negligence, or malfeasance on the part of the taxpayer.

**Payment of taxes.** If you owe tax, you can use any of these credit cards—Visa, MasterCard, American Express, or Discover Card—for your online payment. You can also pay by electronic check, or mail a check or money order to the Department with a PIT-PV Payment Voucher.

**NOTE:** There is no charge for an electronic check. A convenience fee of 2.40% is applied for using a credit card. The State of New Mexico uses this fee, calculated on the transaction amount, to pay charges from the credit card companies.

Make your check or money order payable to New Mexico Taxation and Revenue Department. Mail the PIT-PV with your payment to the New Mexico Taxation and Revenue Department, P.O. Box 8390, Santa Fe, NM 87504-8390.

### **USING THE FEDERAL/STATE ELECTRONIC FILING PROGRAM (FED/STATE)**

The Fed/State program, administered by the IRS, lets you to file your federal and state tax returns together or separately electronically. You can file a Fed/State return through an online home tax filing program on a personal computer or through a professional tax preparer.

**Fed/State Online Home Filing Program.** This method of filing requires

access to the Internet. You can reach companies offering Fed/State e-file services and tax preparation software through the Internet. You can also buy over-the-counter software to file your taxes online.

**Partnership Agreements.** The IRS has partnership agreements with many companies to encourage electronic filing. On the IRS website you can find a list of companies that provide tax preparation software and Fed/State e-file opportunities, with descriptions of their products, services, and cost. The IRS e-file provider page also lists the companies participating in free Internet filing available to low income and other qualified individuals.

**IRS Website.** For more information about the Fed/State e-file program companies, visit the IRS website at [www.irs.gov](http://www.irs.gov).

**IMPORTANT:** If you want to use one of the Fed/State e-file service providers listed on the IRS website to e-file your state return, additional charges apply. You may, however, go to our website and file your state return at no charge.

When using one of the Fed/State e-file service providers on the IRS website to e-file your state return, check that the IRS partner software company supports New Mexico 2013 personal income tax electronic filing.

The Department approves companies that follow specifications and format requirements for the electronic file. Acceptance of a software company does not imply endorsement by the Department or assurance of the quality of the software company's services. The Department:

- Does not review or approve the logic of specific software programs.
- Does not confirm the calculations on the forms produced by these programs.

The accuracy of the software program remains the responsibility of the software company, developer, distributor, or user.

**Do Not Combine Payments.** Do not combine payments to the IRS and to the State of New Mexico. When paying your taxes through the Fed/State program, you may make individual payments to both the IRS and to the State of New Mexico. Follow the instructions for making payment to the proper taxing authority.

**IMPORTANT:** Fed/State program payment processing does not support payments from savings accounts.

**Paying Separately to New Mexico.** You may also pay tax separately to New Mexico through the Department's website, or by submitting a check with a PIT-PV payment voucher.

**Filing by a Professional Tax Preparer.** Fed/State electronic filing service is also available through tax professionals who meet IRS and the Department's qualifications for acceptance into the Fed/State program. Ask professional tax preparers whether they have Fed/State approval. Professional preparers usually charge for their services

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## REQUIRED FORMS AND ATTACHMENTS

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Regardless of which federal return you file, **everyone** who files a New Mexico personal income tax return must complete and file a **PIT-1, New Mexico Personal Income Tax return**. Depending on your residency status and your personal situation, other forms and schedules may also be necessary.

**File a PIT-S, Supplemental Schedule for Dependent Exemptions in Excess of Five, only** if your qualifying dependent exemptions exceed five. The first five dependents must be entered on PIT-1, line 8. Additional dependent exemptions must be entered on Schedule PIT-S. Do not file Schedule PIT-S unless the five dependent lines are filled in on the PIT-1, line 8, and additional lines are needed for qualifying dependent exemptions exceeding five.

Complete the **2013 Schedule PIT-ADJ, Schedule of Additions and Deductions/Exemptions**, and attach it to your PIT-1 return if you are required or eligible to make New Mexico adjustments to your income.

**File PIT-ADJ** if you have **any** of the following additions to federal adjusted gross income:

- Interest and dividends from federal tax-exempt bonds,
  - A net operating loss,
  - Contributions refunded when closing a New Mexico approved Section 529 college savings plan account,
  - Certain contributions rolled out of a New Mexico approved Section 529 college savings plan account,
- or**

- A charitable deduction claimed on federal Form 1040, Schedule A for a donation of land to private non-profit or public conservation agencies for conservation purposes from which you were allowed the New Mexico Land Conservation Tax Credit.

**File PIT-ADJ** if you received **any** of the following income not taxable by New Mexico, or if you qualify for **any** of the following deductions or exemptions:

- You have interest and dividend income on New Mexico state and local bonds.
- You have a New Mexico net operating loss carryover.
- You have interest income from U.S. government obligations.
- You have railroad retirement income not taxable by New Mexico.
- You have Railroad Unemployment Insurance Act sick pay.
- You or your spouse, or both, are members of an Indian nation, tribe, or pueblo and your income was wholly earned on the lands of the reservation or pueblo of which the individual is an enrolled member while domiciled on that reservation, tribe, or pueblo.
- You or your spouse, or both, are age 100 or over and not dependents of another taxpayer.
- You or your spouse, or both, are age 65 or over or blind, and your adjusted gross income is not over \$51,000 for a joint return; \$28,500 for a single taxpayer; or \$25,500 for married taxpayers filing separately.
- You have federally taxable contributions to or distributions from a

New Mexico medical care savings account.

- You contribute to a New Mexico approved Section 529 college savings plan.
  - You have net capital gains for which you can claim a deduction of up to \$1,000 or 50% of your net capital gains, whichever is greater.
  - You have armed forces wages or salary from active duty service.
  - You or your spouse, or both, are age 65 or over, and you have unreimbursed or uncompensated medical care expenses of \$28,000 or more for yourself, your spouse, or dependents.
  - You, your spouse, or dependents have expenses related to donating human organs for transfer to another person.
  - You received a reimbursement from the New Mexico National Guard servicemember's life insurance reimbursement fund.
- or**
- You were required to include in your federal adjusted gross income taxable refunds, credits, or offsets of state and local income tax (Form 1040, line 10).

**File PIT-CR, Non-Refundable Tax Credit Schedule**, if you want to claim any of the following non-refundable credits:

- Preservation of cultural property credit or business facility rehabilitation credit for restoring, renovating, or rehabilitating a historic structure or a qualified business facility;
- Rural job tax credit for employers who create additional jobs in rural

areas;

- Technology jobs (additional) tax credit for expenses in conducting qualified research and development;
- Credit for electronic card-reading equipment purchased by businesses for age verification;
- Job mentorship tax credit for employing youth participating in a school-sanctioned, career preparation education program;
- Land conservation incentives credit for donations of land or interest in land certified as eligible for treatment as a qualified donation for conservation purposes by the Secretary of the Department of Energy, Minerals and Natural Resources;
- Affordable housing tax credit for persons who have invested in an affordable housing project approved by the Mortgage Finance Authority (MFA);
- Solar market development tax credit for individuals who have purchased and installed certain qualified photovoltaic or solar thermal systems in their residence, business, or agricultural enterprise in New Mexico;
- Blended Biodiesel Fuel Tax Credit for companies that blend and distribute motor fuels containing at least 2% biodiesel;
- Sustainable building tax credit for building or renovating residential or commercial buildings into sustainable buildings;
- Angel investment credit for certain qualifying investments in high-technology or manufacturing businesses;
- Rural health care practitioners tax credit for health care practitioners who provide health care in an approved rural health care underserved area;
- Agricultural Water Conservation Tax Credit for expenses incurred for eligible improvements in irrigation systems or water management methods used to produce agricultural products, harvest or grow trees, or sustain livestock;
- Advanced energy tax credit for construction of advanced energy facilities, such as solar thermal

electric generating, advanced technology coal generating, or recycled energy;

- Geothermal ground-coupled heat pump tax credit for the purchase and installation of a geothermal ground-coupled heat pump in a residence, business, or agricultural enterprise in New Mexico;
- Agricultural biomass tax credit for owners of a dairy or feedlot for each wet ton of agricultural biomass transported to a facility that uses the agricultural biomass to generate electricity or to make biocrude or other liquid or gaseous fuel for commercial use;
- Approved film production tax credit for certain production and postproduction expenditures made in New Mexico for an eligible film production company;
- Cancer clinical trial tax credit for oncologists who supervise patients participating in a cancer clinical trial beginning on or after January 1, 2012, but before January 1, 2016;  
**or**
- Veterans employment tax credit for taxpayers who employ a qualified military veteran in New Mexico and who file a personal or corporate income tax return for a tax year beginning on or after January 1, 2012 and ending before January 1, 2017.

File **PIT-RC, Rebate and Credit Schedule**, if you want to claim **any** of the following refundable credits:

- Low income comprehensive tax rebate,
- Property tax rebate (for low-income persons 65 or older),
- Additional low income property tax rebate for Los Alamos or Santa Fe County residents,
- Child day care credit,
- Refundable medical care credit for persons 65 years of age or older,
- Special needs adopted child tax credit,
- Renewable energy production tax credit,  
**or**
- A refundable portion of the film

production tax credit for certain production and postproduction expenditures made in New Mexico for an eligible film production company.

The **PIT-B, Allocation and Apportionment Schedule**, is filed with the PIT-1 return to allocate and apportion income received from employment, business, or property sources located inside and outside New Mexico.

The **PIT-D, Voluntary Contributions Schedule**, must be attached to the PIT-1 return if you want to contribute to one or more of the voluntary contribution funds from an overpayment on your return.

**New Mexico and Federal Extension of Time to File.** Complete PIT-1, line 6 if you have an approved state or federal extension. Please **do not** attach a copy of a federal extension request that is automatically granted, or a copy of an approved state extension. See *Extension of Time to File* on page 13 of these instructions for more information. If the Internal Revenue Service (IRS) grants an **additional** extension, attach a copy of the approved federal extension.

If you qualify for a federal or state extension for military personnel deployed in a combat zone, special instructions and backup are required. See publication FYI-311, *Military Extensions for New Mexico Personal Income Tax*, for details.

If you qualify for a special federal extension, refer to the Department web page to determine whether New Mexico offers a similar extension and how you may take the extension.

#### **PAYMENT VOUCHERS**

The Department supports the fast and secure filing of electronic payments for PIT-PV, PIT-EXT, and PIT-ES. Visit our website at [www.tax.newmexico.gov](http://www.tax.newmexico.gov).

**PIT-PV, Personal Income Tax Payment Voucher.** If your return shows a balance due and you choose to pay by mail or delivery to one of our local offices, you need to complete the PIT-PV payment voucher and include it with your check or money order. Also

include the PIT-PV when submitting your payment with your return. **Write your social security number, PIT-PV, and the tax year on all checks and money orders.**

**PIT-EXT, Personal Income Tax Extension Payment Voucher.** If you expect your return to show a balance due and you have obtained either a federal automatic extension or a New Mexico extension, use the PIT-EXT payment voucher to make an extension payment by mail or delivery. By obtaining an extension of time to file your return, penalty for failure to file and pay is waived through the extension period, if you file the return and pay the tax shown on the return by the extended due date.

However, interest continues to accrue even if you obtain the extension. If you expect to owe more tax when you file your 2013 return, make a payment using the 2013 PIT-EXT payment voucher to avoid the accrual of interest.

**PIT-ES, Personal Income Estimated Tax Payment Voucher.** To make estimated tax payments by mail or delivery, you need to complete a PIT-ES payment voucher. Include it with your check or money order. Write your social security number, **PIT-ES**, and the correct tax year for the quarter on all checks and money orders. For example, when filing the fourth quarter estimated tax payment for tax year 2013 due January 15, 2014, make sure the tax year indicates 2013 on the PIT-ES payment voucher.

**Do not** combine payments for tax due on your 2013 return and payments of your 2014 estimated income tax liability on the same check or money order. If you combine payments, it is likely they will not be credited to your account in the way you would want.

**Please make sure you are using the correct payment voucher (PIT-PV, PIT-EXT, or PIT-ES) and that the payment voucher indicates the correct tax year of the return to which you want the payment to apply.**

## AMENDED RETURNS

Any change to New Mexico taxable in-

come, credits, or rebates, and changes to federal taxable income require an amended New Mexico personal income tax return for the same year. For tax years beginning on or after January 1, 2013, but not after December 31, 2013, an amended return must be filed on the **2013 PIT-X return.**

If the New Mexico amended return reports changes as the result of filing an amended federal return, attach copies of the applicable federal forms and schedules. In all cases, indicate the reason for amending the return on the PIT-X, page 2.

**NOTE:** The law requires an amended New Mexico return to be filed within 90 days of the date an adjustment to your federal return becomes final.

For tax years beginning on a date after January 1, 2005, but before December 31, 2010, an amended return must be filed on the PIT-X return that is specific to the tax year of your original return. For tax years beginning before January 1, 2005, file amended returns using the form for the appropriate tax year and mark the **Amended** checkbox or write **Amended** at the top of the form if no checkbox is present on the form.

**For tax years before 2005, do not file an amended return on a PIT-X form** even if indicated in the instructions for the tax year. The Department cannot accept a return filed on a PIT-X return for a year before January 1, 2005.

When completing an amended return, **you must submit ALL Schedules PIT-ADJ, PIT-RC, PIT-B, PIT-CR, PIT-D and PIT-S to support the entries on the PIT-X, even if they did not change from the original version.** Please follow the instructions carefully. You do not need to file forms W-2 and similar information forms unless you are amending your New Mexico return to change the amount of withholding reported.

## OTHER FORMS OR ATTACHMENTS YOU MAY NEED TO FILE

This section describes other forms or attachments you might need to file.

**All Annual Information Returns and Withholding Statements.** Attach to your PIT-1 return a copy of all annual information returns and withholding statements showing income and New Mexico income tax withheld. Include all federal Form(s) W-2, 1099, 1099-MISC, 1099-R, and W-2G, and New Mexico Form(s) RPD-41359, *Annual Statement of Pass-Through Entity Withholding*, or Form RPD-41285, *Annual Statement of Withholding of Oil and Gas Proceeds*.

**A Statement of Division of Community and Separate Income and Payments.** Attach a statement reflecting a correct division of community and separate income and payments if your income and payments are not evenly distributed, and if **any** of the following are true:

- You are married and filing separate returns.
- You divorced during 2013.
- You or your spouse, but not both, claim the exemption for income of persons 100 years or older.
- You or your spouse, but not both, are residents of a community property state.

Community property states are New Mexico, Arizona, California, Idaho, Louisiana, Nevada, Texas, Washington, and Wisconsin.

**Form RPD-41083, Affidavit to Obtain Refund of New Mexico Tax Due a Deceased Taxpayer,** is used to claim a refund for a deceased taxpayer when the refund is paid to the order of a person other than the surviving spouse or to the estate of the deceased. A copy of a death certificate or other proof of death must be attached.

In the first year in which a taxpayer claims a credit for a Special Needs Adoption, attach **Certification from the Children Youth and Families Department or a licensed child placement agency** that the adopted child is under 18 years of age and meets the definition of a "difficult-to-place-child" as defined in the Adoption Act (Subsection B of Section 32A-5-44 NMSA 1978), and the classification is based on physical or mental impairment or

emotional disturbance that is at least moderately disabling.

If you have an unused **New Mexico net operating loss carryforward** amount from a previous year, attach Form RPD-41369, *Net Operating Loss Carryforward Schedule*, to your return showing the tax year when each New Mexico net operating loss occurred. List on the schedule each loss for each tax year for which the loss was carried forward, including 2013.

Attach **Form PIT-4**, Preservation of Cultural Properties Credit, and related Historic Preservation Division Certification to claim the **Preservation of Cultural Property Credit** on Schedule PIT-CR.

**Form PIT-5**, *Qualified Business Facility Rehabilitation Credit*, is needed to claim the **Business Facility Rehabilitation Credit** for building renovations within New Mexico enterprise zones. Also attach the approval from the New Mexico Economic Development Department.

The **Rural Job Tax Credit** requires **Form RPD-41243**, *Rural Job Tax Credit Claim Form*.

The **Technology Jobs Tax Credit** requires **Form RPD-41244**, *Technology Jobs Tax Credit Claim Form*.

**Credit for Electronic Card-Reading Equipment** requires certification by the taxpayer. Complete **Form RPD-41246**, *Income Tax Credit for Electronic Identification Card Reader Purchase and Use Statement*.

**Job Mentorship Tax Credit** requires **Form RPD-41281**, *Job Mentorship Tax Credit Claim Form*, and a **Form RPD-41280**, *Job Mentorship Tax Credit Certificate*, for each qualified student the taxpayer employed during the tax year.

To claim the **Land Conservation Incentives Credit**, attach **Form RPD-**

**41282**, *Land Conservation Incentives Tax Credit Claim Form*, and the letter received from the Energy, Minerals and Natural Resources Department certifying treatment as a qualified donation.

The **Affordable Housing Tax Credit** requires **Form RPD-41301**, *Affordable Housing Tax Credit Claim Form*, and a copy of the voucher issued by the MFA.

The **Solar Market Development Tax Credit** requires **Form RPD-41317**, *Solar Market Development Tax Credit Claim Form*. Also attach the certification from the New Mexico Energy, Minerals and Natural Resources Department.

The **Blended Biodiesel Fuel Tax Credit** requires **Form RPD-41340**, *Blended Biodiesel Fuel Tax Credit Claim Form*.

The **Sustainable Building Tax Credit** requires **Form RPD-41329**, *Sustainable Building Tax Credit Claim Form*.

The **Angel Investment Credit** requires **Form RPD-41320**, *Angel Investment Credit Claim Form*. Also attach the certification from the New Mexico Economic Development Department.

The **Rural Health Care Practitioners Tax Credit** requires **Form RPD-41326**, *Rural Health Care Practitioner Tax Credit Claim Form*. Also attach the certification from the New Mexico Department of Health.

The **Agricultural Water Conservation Tax Credit** requires **Form RPD-41319**, *Agricultural Water Conservation Tax Credit Claim Form*. Also attach the approval from the Soil and Water Conservation District.

The **Advanced Energy Tax Credit** requires **Form RPD-41334**, *Advanced Energy Tax Credit Claim Form*. Also attach the approval from the New Mexico

Environment Department.

The **Geothermal Ground-Coupled Heat Pump Tax Credit** requires **Form RPD-41346**, *Geothermal Ground-Coupled Heat Pump Tax Credit Claim Form*. Also attach the certification from the New Mexico Energy, Minerals and Natural Resources Department.

The **Agricultural Biomass Tax Credit** requires **Form RPD-41361**, *Agricultural Biomass Tax Credit Claim Form*. Also attach the certification from the Energy, Minerals and Natural Resources Department.

The **Approved Film Production Tax Credit** requires **Form RPD-41228**, *Film Production Tax Credit Claim Form*.

The **Cancer Clinical Trial Tax Credit** requires **Form RPD-41358**, *Cancer Clinical Trial Tax Credit Claim Form*.

The **Veterans Employment Tax Credit** requires **Form RPD-41372**, *Veterans Employment Tax Credit Claim Form*.

The **Renewable Energy Production Tax Credit** is reported on Schedule PIT-RC and requires **Form RPD-41227**, *Renewable Energy Production Tax Credit Claim Form*.

If you claim the **additional low-income property tax rebate for Los Alamos or Santa Fe County residents** and the address on your PIT-1 return is not a Los Alamos or Santa Fe County address, provide a copy of your property tax statement for the Los Alamos or Santa Fe County property.

To claim the **New Mexico Child Day Care Credit** on Schedule PIT-RC, submit a copy of the **Caregiver Worksheet** and **Form PIT-CG**, *New Mexico Caregiver's Statement*.

Attach **2013 Form RPD-41272**, *2013 Calculation of Estimated Personal Income Tax Underpayment Penalty*, if

Regardless of which federal personal income tax return you file, **everyone** who files a New Mexico personal income tax return must complete and file a **PIT-1 return**. Depending on your residency status and your own personal situation, other forms and schedules may be necessary.

you qualify for and have elected to use **an alternative method of computing penalty on estimated payments**, and you marked the box on PIT-1, line 34.

Attach **other states' forms** only when claiming credit for taxes paid to another state on the PIT-1 return by a New Mexico resident, first-year resident or part-year resident on income taxable in **both** New Mexico and another state.

**Tax Credit for Certain Venture Capital Investments.** If your federal adjusted gross income includes a "qualified diversifying business net capital gain" from the sale of "qualified diversifying business stock" on or after July 1, 2000, and you are in full compliance with all provisions of the New Mexico Venture Capital Investment Act, contact (505) 827-1746 for details on claiming the tax credit allowed by the act.

**Form PIT-110, *Adjustments to New Mexico Income***, is for a non-resident whose job is located in New Mexico but requires temporary assignment outside New Mexico.

**Schedule CC, *Alternative Tax Schedule***, is for non-residents who qualify

to pay tax using an Alternative Tax Method. Schedule CC is to be used by taxpayers who:

- Have no business activities in New Mexico other than sales,
- Do not own or rent real estate in New Mexico, **and**
- Have annual gross sales in or into New Mexico of \$100,000 or less.

**Form PIT-8453, 2013 Individual Income Tax Declaration for Electronic Filing and Transmittal.** Paid tax preparer, Electronic Return Originators (EROs), or other third-party transmitters, who electronically transmit New Mexico personal income tax returns on behalf of taxpayers, using a tax software program or through the New Mexico website, must complete Form PIT-8453 and maintain in their records the taxpayers' signatures.

Generally, Form PIT-8453 does not need to be sent to the Department. Form PIT-8453 authorizes the electronic transmission of the tax return, authenticates the electronic portion of the return, and under certain circumstances provides a transmittal for additional supporting documentation. See the instructions to Form PIT-8453 to determine when the PIT-8453 must be submitted to the Department. **If you**

**must submit the form to the Department**, mail it to the following address:

NM Taxation Revenue Department  
P.O. Box 5418  
Santa Fe, NM 87502

**Form RPD-41338, 2013 Taxpayer Waiver for Preparers Electronic Filing Requirement**, is used when taxpayers do not want preparers to file their returns by Department-approved electronic media. To avoid the penalty of \$5 per return imposed on the paid tax return preparer, the tax preparer must mark the checkbox in the **Paid preparer's use only** section on the PIT-1 return, page 2.

The requirement to make sure the return is filed by Department-approved electronic media applies only to 2013 New Mexico personal income tax returns filed in calendar year 2014. See the instructions for the **Paid preparer's use only** section in these instructions for more details on this requirement.

**Federal Forms and Schedules.** The Department may require you to furnish a true and correct copy of your federal income tax return and attachments.

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## WHEN AND WHERE TO FILE AND PAY

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### WHEN AND WHERE TO FILE

File your return as soon as you have all the necessary information, but not later than the filing deadline of **APRIL 15, 2014**. If you file or pay late, you may need to pay interest and penalties. See *Interest and Penalties* on page 14. The due date for fiscal year taxpayers is the 15th day of the fourth month following the close of their fiscal year.

If you **file and pay** your tax electronically through our website, a personal computer, or a tax professional, your filing deadline is **APRIL 30, 2014**. To avoid penalty or interest, you must file your return **and** pay your tax electronically. Your electronically filed return and payment of tax due must be transmitted on or before **APRIL 30, 2014**. The electronically filed return and electronic payment may be

made separately to qualify. See *Filing Electronically* on page 6 and *Making Payment Through the Internet* on page 13 for a description of electronic filing and payment methods.

**IMPORTANT: The April 30 deadline applies only when both the return and the payment are made electronically.**

**For a faster refund**, file your return electronically.

**Mail refund returns and returns without a payment attached to:**

Taxation and Revenue Department  
P.O. Box 25122  
Santa Fe, NM 87504-5122

**Mail returns with a payment attached to:**

Taxation and Revenue Department  
P.O. Box 8390  
Santa Fe, NM 87504-8390

A mailed New Mexico income tax return and tax payment are timely if the United States Postal Service postmark on the envelope bears a date on or before the due date. If the due date falls on a Saturday, Sunday, or a state or national legal holiday, the tax return is timely when the postmark bears the date of the next business day. Delivery through a private delivery service is timely if the date recorded or marked by the private delivery service is on or before the due date.

### WHERE TO PAY

Select the most convenient way to pay your taxes.



**Making Payment Through the Internet.** Using the Department website, you may pay by electronic check at **no charge**. Your electronic check authorizes the Department to debit your checking account in the amount and on the date you specify. Directions are available on the website. File and pay tax due online using the Department's website at [www.tax.newmexico.gov](http://www.tax.newmexico.gov).

You may also make tax payments by using any of these credit cards—Visa, MasterCard, American Express, or Discover Card—for your online payment. A convenience fee of 2.40% is applied for using a credit card. The State of New Mexico uses this fee, calculated on the transaction amount, to pay charges from the credit card companies.

**Making Payment by Check.** Whether you submit your return payment with or without your tax return, complete PIT-PV, *Personal Income Tax Payment Voucher*. Write your social security number, and **2013 PIT-1** on your check or money order. Make the check or money order payable to New Mexico Taxation and Revenue Department.

If making an extension payment, complete PIT-EXT, *Personal Income Tax Extension Payment Voucher*. Write your social security number and **2013 PIT-EXT** on the check or money order.

If you make an estimated payment, complete PIT-ES, *Personal Income Estimated Tax Payment Voucher*. Write your social security number and **PIT-ES** on the check or money order.

**IMPORTANT: The PIT-ES and the check or money order must indicate the correct tax year to apply the estimated payment to.**

The Department receives a large amount of payment vouchers WITHOUT the check or money order. **Please make sure you submit the payment voucher ONLY when you include a payment.**

**SUBMIT ONLY HIGH-QUALITY PRINTED, ORIGINAL FORMS TO THE DEPARTMENT.** Because the Department uses high-speed scanners

when processing payment vouchers, a quality form helps ensure accuracy. Do not photocopy. The scanners can read only one page size to process vouchers; therefore, it is important that you **cut on the dotted line only**. When printing the voucher from the Internet or a software product, prevent resizing by setting the printer's page scaling function to **none**. If your payment voucher has a scanline (a very long row of numbers) within the bottom 1 and 1/2 inch of the voucher, do not write in the area around the scanline.

**Separate Tax Due Payments and Estimated Payments. Do not** combine payments for tax due on your 2013 return and payments for your 2014 estimated income tax liability on the same check or money order. If you combine payments, it is likely they will not be credited to your account in the way you would want.

**Mailing Address for Payments.** When mailing a payment with a return, follow the instructions for mailing returns in *When and Where to File* on page 12. If mailing a payment separately, mail the payment and the PIT-PV, *Personal Income Tax Payment Voucher*; PIT-EXT, *Personal Income Tax Extension Payment Voucher*; or PIT-ES, *Personal Income Estimated Tax Payment Voucher* to the address below:

**Mail PIT-PV, PIT-EXT, or PIT-ES payment vouchers and payments to:**

**Taxation and Revenue Department  
P.O. Box 8390  
Santa Fe, NM 87504-8390**

**Extension of Time to File**  
New Mexico recognizes and accepts an IRS automatic extension of time to file. If you obtained the federal six-month automatic extension by filing federal Form 4868, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return* for tax year 2013, you have six months (through October 15th) to file your New Mexico return. Beyond the six months, you are required to obtain an additional extension through the IRS or the state.

If you expect to file your federal return by the original due date **or** by the six-month automatic extension allowed by the IRS, but need additional time to file your New Mexico return, ask for an extension of time by filing New Mexico Form RPD-41096, *Application for Extension of Time to File*. File Form RPD-41096 on or before the April 15, 2014 due date. You do not need to attach an approved state extension to your return.

Special instructions and backup are required if you are granted a federal extension or state extension for military personnel deployed in a combat zone. See Publication FYI-311, *Military Extensions for New Mexico Personal Income Tax*, for details.

If you qualify for a special federal extension, refer to the Department website to determine whether New Mexico offers a similar extension and how to take the extension.

In all cases, mark the extension check box on PIT-1, line 6 and enter the date the extension expires.

To make an extension payment by mail or delivery, you need to complete a PIT-EXT, *Personal Income Tax Extension Payment Voucher*.

**An extension of time to file your return does NOT extend the time to pay.** If tax is due, interest continues to accrue. Therefore, if you expect to owe more tax when you file your return, the best policy is to make a payment using a PIT-EXT payment voucher to avoid the accrual of interest on that amount.

**Please make sure you put the correct tax year on both the PIT-EXT, *Personal Income Tax Extension Payment Voucher*, and your check or money order. This minimizes the chance that your payment will be credited to the incorrect tax period.** Report the amount of any payment(s) made towards the tax due when an extension has been filed on PIT-1, line 30 when the return is actually filed.

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## INTEREST AND PENALTIES

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### INTEREST

Interest accrues on income tax that is not paid on or before the due date of your return even if you receive an extension of time to file.

**Interest is a charge for the use of money and by law cannot be waived.**

Before January 1, 2008, interest was calculated at the statutory rate of 15% per year, computed on a daily basis. Beginning January 1, 2008, interest is computed on a daily basis at the rate established for individual income tax purposes by the Internal Revenue Code (IRC).

The IRC rate changes quarterly. The IRC rate for each quarter is announced by the IRS in the last month of the previous quarter. The annual rate for the last two years ranged between 3% and 4%. The annual and daily interest rates for each quarter are posted on our website.

**IMPORTANT:** You do not need to figure the amount of penalty or interest due on your return. Once your principal tax liability is paid, penalty and interest stop accruing. The Department bills you for any penalty or interest due.

If you are due a refund, you may be entitled to interest on your overpayment at the same rate charged for underpayments, but only under certain conditions. For 2013 personal income tax returns, the Department pays no interest if the refund is made within 55 days of the date of the claim for refund, if the interest is less than \$1.00, or if your return cannot be processed. For returns filed for years before the 2013 tax year, the Department pays no interest if the refund is made within 120 days of the date of the claim for refund, if the interest is less than \$1.00, or if your return cannot be processed. For processing to take place, your return must show your name and social security number, and it must be signed. Your return must comply with all the instructions for the return and contain all attachments required by the instructions.

**Negligence Penalty for Late Filing or Late Payment.** If you file late and owe tax, or if you do not pay your tax when due, you receive a penalty of 2% of the tax due for each month or part of a month the return is not filed or the tax is not paid, up to a maximum of 20%.

**NOTE:** Before January 1, 2008, penalty could not exceed 10%. Penalty on any principal tax outstanding after January 1, 2008 continues to accrue at a rate of 2% per month or part of a month the return is not filed or the tax is not paid, up to the new maximum of 20%.

This penalty applies when your failure to file or pay is because of negligence or disregard of the rules and regulations, but without intent to defraud.

### PENALTIES FOR FRAUDULENT RETURNS AND OTHER REASONS

This section covers civil and criminal penalties for fraudulent returns, penalties for underpayments and returned checks, and penalties related to tax preparers.

#### Civil Penalties

In the case of failure to pay when due any amount of required tax with willful intent to evade or defeat any tax, a civil penalty of 50% of the tax due is charged. The minimum penalty is \$25.

Any person who willfully causes or attempts to cause the evasion of another person's obligation to report and pay tax may be assessed a civil penalty in an amount equal to the amount of the tax, penalty, and interest attempted to be evaded.

#### Criminal Penalties

A person who willfully attempts to evade or defeat any tax or the payment of the tax is guilty of a felony and upon conviction may be fined between \$1,000 and \$10,000, or imprisoned between one and five years, or both, together with costs of prosecution. This penalty is in addition to other penalties provided by law.

Any person who willfully, with intent to evade or defeat the payment or collec-

tion of any tax:

- Falsifies any return, statement, or other document;
- Willfully assists, procures, advises, or counsels the filing of a false return, statement, or document;
- Files any return electronically, knowing the information on the return is not true and correct as to every material matter; **or**
- Removes, conceals, or releases or aids in the removal, concealment, or release of any property on which levy is authorized by the Department is guilty of a felony and subject to criminal penalties. Upon conviction, criminal penalty may be imposed of not more than \$5,000 or imprisonment of not less than six months or more than three years, or both, together with costs of prosecution.

**Penalty for Underpayment of Estimated Tax.** If your tax liability for 2013 is \$1,000 or more (\$500 or more for tax years ending before January 1, 2012), and your 2013 withholding does not equal the "Required Annual Payment" of (1) 100% of the prior year tax liability, or (2) 90% of the current year tax liability, you may be subject to penalty. The law provides some exceptions to the penalty. For more information on exceptions, see instructions for the PIT-ES payment voucher.

The Department calculates and assesses penalty on underpayment of estimated tax if you have not timely made the required annual payments. You may provide additional information if you believe the penalty to be in error.

Penalty for underpayment of estimated tax accrues at the same rate as interest on an underpayment of tax. The penalty for underpayment of estimated tax may exceed the maximum 20% that applies to underpayment penalty. Beginning January 1, 2008, penalty on underpayment of estimated tax is computed on a daily basis, at the rate established for individual income tax purposes by the IRC. See *Interest and Penalties* on the previous page.

**Returned Check Penalty.** A check that is not paid by a financial institution does not constitute payment. A penalty of \$20 is assessed for a bad check in addition to other penalties that may apply to a late payment.

**Failure of Paid Tax Preparers to Conform to Certain Requirements.**

A penalty of \$25 per return or claim for refund is assessed to a paid preparer who:

- Fails to sign the tax return or claim for refund, **or**
- Fails to include the identifying number of the paid preparer.

**The law provides for a penalty**

**of \$500 per item against any tax preparer who endorses or otherwise negotiates, either directly or through an agent, any refund check issued to a taxpayer.**

**Paid Tax Preparers Requirement to Ensure Returns are Filed Electronically.** Paid tax practitioners who prepare more than 25 New Mexico personal income tax returns must ensure that each return is submitted by Department-approved electronic media, unless the taxpayer requests otherwise. A \$5 penalty per return is assessed for personal income tax preparers who fail to comply with this requirement.

To avoid a penalty of \$5 per return imposed on the paid tax return preparer, the tax preparer must ensure the return is filed by Department-approved electronic media **or** must keep a signed Form RPD-41338, *Taxpayer Waiver for Preparers Electronic Filing Requirement*, on file **and** mark the checkbox in the **Paid preparer's use only** section on PIT-1, page 2.

The requirement to ensure the return is filed by Department-approved electronic media applies only to 2013 New Mexico personal income tax returns filed in calendar year 2014. See the instructions for the **Paid preparer's use only** section in these instructions for more details on this requirement.

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## YOUR RIGHTS UNDER THE TAX LAW

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The Tax Administration Act governs how the Department administers the Income Tax Act and gives you specific rights and responsibilities.

Keep accurate tax records and stay current with changes in the tax law to help avoid tax problems. These instructions and other Department publications contain information that can help you do both.

While most tax problems can be resolved informally, it is important to understand that you must exercise certain rights provided to you under law within specific time frames. If the Department makes an adjustment to your return, you receive a notice explaining the adjustment with a description of procedures to use if you disagree.

At any time after filing your return, the return may be subject to further review, verification, or correction. If your tax return is adjusted or if there is an assessment of additional tax, you will receive a copy of Publication FYI-406, *Your Rights Under the Tax Laws*. The publication outlines your rights and obligations. It describes in detail how to dispute a Department action through either the Claim for Refund procedure or the Protest procedure. Read these procedures carefully to ensure you take the necessary steps to protect your rights.

Publication FYI-406 is on the Department's home page at [www.tax.newmexico.gov](http://www.tax.newmexico.gov). Enter **FYI-406** in the search window at the top of the home page. FYI-406 is also available by contacting Taxpayer Information by e-mail at [policy.office@state.nm.us](mailto:policy.office@state.nm.us) or calling (505) 827-0908.

**NOTE:** The taxpayer may protest the Department's failure to grant or deny a claim for refund. In the event the Department has not granted or denied a claim for refund within 120 days, you may protest, bring suit, or re-file your claim within three years from the end of the calendar year in which the tax was due or in which you paid a Department assessment.

If you do not hear from the Department within 120 days, you have 90 days from the 120th day of the date of refund claim to file a protest. You must act if you have not heard from the Department within 120 days. Section 7-1-26 NMSA 1978 prevents the Department from approving or denying your claim when 210 days have passed after the date of the claim for refund and you have not filed a formal protest or suit in district court.

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## ABOUT YOUR TAX RETURN INFORMATION

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**KEEP COPIES OF YOUR TAX RECORDS AND RETURNS.** Please remember to keep a copy of your completed income tax return for at least 10 years after you file it. Keep copies of books, records, schedules, statements, or other documents. The Department may ask you to provide copies of these records after you filed your income tax return.

**Privacy Notification**

The New Mexico Taxation and Revenue Department requires taxpayers to furnish social security numbers as a means of taxpayer identification. All information supplied electronically by taxpayers is protected using encryption and fire walls. Taxpayer information on returns is protected in accordance with the confidentiality provisions of the Tax Administration Act (Section 7-1-8 NMSA 1978).

You can find the rights of the Taxation and Revenue Department and the Secretary of the Department to collect and maintain personal information, including mandatory disclosure of social security numbers in the manner required by tax regulations, instructions, and forms, in Section 7-1-12 NMSA 1978 and 3.1.1.15 NMAC.

The Taxation and Revenue Department uses this personal information

primarily to determine and administer state tax liabilities. The Department also uses the information for certain tax-offset and exchange-of-tax information authorized by law, and for any other purpose authorized by law.

### **1099G and 1099INT Information Returns**

Federal law requires New Mexico to report to the IRS all New Mexico income tax refunds and interest paid to taxpayers on those refunds. New Mexico is required to report the same information to you on a Form 1099.

The amount reported on Forms 1099G and 1099INT may or may not be federally taxable to you. Consult your tax preparer, the federal income tax form instructions, or IRS Publication 525, *Taxable and Nontaxable Income*, to determine if you need to report the

amount as income for federal income tax purposes.

### **Federal/State Tax Agreement**

Under authority of federal and New Mexico laws, the New Mexico Taxation and Revenue Department and the IRS are parties to a federal/state agreement for the mutual exchange of tax information.

Every year New Mexico participates in a program that matches New Mexico return information with federal return information. If you receive a notice from the Department telling you of a difference between state and federal information or about a non-filed return, it is to your advantage to respond promptly and provide information to clear your record. If you do not respond within 60 days, we presume the notice is correct and issue an assessment of

tax due for the amount of underpaid tax plus interest and penalty.

### **Treasury Offset Program**

If an assessment of New Mexico Personal Income Tax is established, the Department may submit your unpaid debt to the Treasury Offset Program. This "offset" is authorized by federal law and allows the U.S. Department of the Treasury to reduce or withhold any of your federal income tax refund by the amount of your debt.

### **Outside Collection Agencies**

The Department is authorized to contract with outside collection agencies for collection of tax obligations that are at least 120 days past due. Contracted outside collection agencies are subject to the same privacy laws and requirements as the Department.

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## **STEPS FOR PREPARING YOUR RETURN**

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### **Prepare your federal return first.**

Much of the information on your New Mexico return will be the same. Even if you are not required to file a federal return, complete a sample federal return **before** you prepare your New Mexico return.

Most New Mexico income tax laws are based on federal income tax laws. In these instructions we point out only the differences and explain items unique to New Mexico law. No instructions are given for self-explanatory items, such as when a line requires addition or subtraction.

**NOTE: References to line numbers on federal forms are provided as a convenience. They are based on information available to the Department at the time we deliver New Mexico forms to the printing contractor. Use caution. The Department is not responsible for changes or errors in these references.**

### **STEP 1**

#### **Get all forms and publications you need.**

If you need forms or additional instructions, see *Contacting the Department*

on page 1.

### **STEP 2**

#### **Get your tax records together.**

#### **Name and Social Security Number.**

Enter your name and social security number (SSN) on all forms and correspondence you send to the Department. We cannot accept a return without a valid identification number. New Mexico requires you to use the same name and taxpayer identification number as required by the IRS.

Be sure the name of the taxpayer, spouse, and all dependents listed on the income tax return and their SSNs agree with the individual's social security card. Contact the Social Security Administration if the name is not correct. The website address is [www.ssa.gov](http://www.ssa.gov).

Resident or non-resident foreign nationals who do not have and who are not eligible to obtain an SSN may obtain a federal individual taxpayer identification number (ITIN) by filing Form W-7 with the IRS. Use this ITIN instead of an SSN. Contact the IRS for forms and information about the ITIN program or visit the IRS website

at [www.irs.gov](http://www.irs.gov). Place the ITIN everywhere the SSN is required.

**NOTE:** The IRS requires a non-resident alien spouse to have either an SSN or an ITIN in **any** of these situations:

- You file a joint return.
- You file a separate return and claim an exemption for your spouse.
- Your spouse is filing a separate return.

A dependent child who was born and died in 2013 is not required to have an SSN. If an SSN was not obtained, enter all 9s on line 8, column 2 (Dependent's SSN) and attach a copy of the child's birth certificate, death certificate, or hospital records. The document(s) must show the child was born alive.

**If you received a salary, wages, or tips,** gather all 2013 wage and tax statements. If you have not received your wage and tax statements by February 15 or if the statement you receive is incorrect, contact your employer.

If you had New Mexico tax withheld in error on your wages, salary, or tips, and you had no income tax responsibility

to New Mexico on that income, obtain a letter from your employer or payor explaining the cause of the error, and stating that no New Mexico income tax was due on the income reported.

**If you received an annuity**, pension, retirement pay, IRA distribution, distribution from a New Mexico-approved qualified state tuition program, Railroad Retirement, sick pay, or social security benefits in 2013, whether or not income tax was withheld on the payments, gather all federal Form(s) 1099-R, RRB-1099 and SSA-1099.

If you had New Mexico tax withheld in error on your pension or annuity, and you had no income tax responsibility to New Mexico on that income, provide a copy of the state income tax return for the state in which you are domiciled or other information showing residency in another state.

If you did not have tax withheld but would like to in the future, contact the payor. See also *Withholding on Certain Government Pensions* below for contact information.

**If you had tax withheld from oil and gas proceeds** from an oil or gas well located in New Mexico, obtain a copy of your federal Form 1099-MISC or Form RPD-41285, *Annual Statement of Withholding of Oil and Gas Proceeds*.

**If you had tax withheld by a PTE** from your share of the net income earned by a PTE, obtain a copy of federal Form

1099-MISC or a copy of New Mexico Form RPD-41359, *Annual Statement of Pass-Through Entity Withholding*.

**If you had gambling or lottery winnings**, whether or not income tax was withheld on the winnings, you need your 2013 federal Form W-2G or a record of winnings not required to be reported on a Form W-2G. If your winnings were offset by losses reported in your itemized deductions on your federal return, the Department may ask you to provide documentation to substantiate the deduction.

**If you received public assistance**, from Temporary Assistance to Needy Families (TANF) or a similar program, welfare benefits, or Supplemental Security Income (SSI) during 2013, you need records of the amounts.

**If you received any other income** in 2013, whether or not taxable, such as an insurance settlement, a scholarship or grant, VA benefits, income from an inheritance or trust, gifts of cash or marketable property, alimony, and separate maintenance or child support, gather your records of the amounts.

**To claim the Property Tax Rebate** for persons age 65 or older, or the Low Income Property Tax Rebate for Los Alamos or Santa Fe County residents, you need records of the property tax billed for 2013 and/or the rent paid on your principal place of residence.

**To claim the Child Day Care Credit**

you need a Form PIT-CG, *New Mexico Caregiver's Statement*, from each person who provided child day care during 2013.

**If you paid income taxes to another state** on income that also is taxable in New Mexico, you need a copy of that state's return. Both states must claim the same income source for you to be eligible for the credit.

**If you made New Mexico estimated tax payments** during the year, you need your records of the amounts and dates of payment. If you had an overpayment from your 2012 return applied to your 2013 estimated taxes, be sure to include that amount in your total.

**If you are married and filing separate returns**, if you were divorced during 2013, if you are claiming the exemption for income of persons 100 years or older, or if you or your spouse, but not both, is a resident of a community property state, **and** your income and payments are not evenly distributed, prepare and attach a statement reflecting a correct division of community and separate income and payments.

**To claim a deduction, exemption or tax credit** on Schedule PIT-ADJ, Schedule PIT-CR, or Schedule PIT-RC, make sure you have the appropriate records, approvals, certifications, and forms. See the instructions for the line on the schedule, or see *Other Forms or Attachments You May Need to File*, on page 10 of these instructions.

## Withholding on Certain Government Pensions

Retired members of the Army, Air Force, Navy, Marines, Coast Guard, U.S. Civil Service, the National Oceanic and Atmospheric Administration, and the U.S. Public Health Service may request that New Mexico income tax be withheld from their retirement pay by contacting the appropriate retirement pay office.

**U.S. Military Retirement/Annuity Pay**  
Defense Finance and Accounting Service  
(800) 321-1080  
[www.dod.mil](http://www.dod.mil)

**U.S. Coast Guard**  
PPC Retiree and Annuity Services Branch  
(800) 772-8724  
[www.uscg.mil/ppc/ras/](http://www.uscg.mil/ppc/ras/)  
(Also for retired members of the National Oceanic and Atmospheric Administration)

**U.S. Public Health Service**  
Commissioned Corps Compensation  
5600 Fishers Lane, Room 4-50  
Rockville, MD 20857  
(800) 638-8744  
(301) 594-2963

**All Other Federal Retirees**  
U.S. Office of Personnel Management  
Retirement Operations Center  
(888) 767-6738  
(202) 606-0500 or (202) 606-1800  
[www.opm.gov/retire](http://www.opm.gov/retire)

**STEP 3**

**Fill in your return.**

Fill in your return using the line instructions that start in the next section and then continue with **STEP 4** on page 32.

**Reminder:**  
**Write your correct social security number (SSN)**  
**on ALL forms, schedules, payments and correspondence.**

**LINE INSTRUCTIONS FOR FORM PIT-1**

**Filling In Your Tax Return**

Complete all required information on your form. Failure to complete all required information delays processing your return and may cause your return to be incorrectly computed.

Please spend a moment reviewing the items below before making your entries:

- **Round all money amounts up or down to the nearest whole dollar. Do not enter cents.** For example, enter \$10.49 as \$10 and \$10.50 as \$11.
- **Please type or print using a blue or black pen. Do not use a pencil.**
- **Write your numbers clearly and legibly.** The forms contain boxes to guide you in making your handwritten entries. Clear, legible printing reduces errors and lets us process your return more efficiently.
- **Do not use dollar signs (\$), decimal points (.), or any punctuation marks or symbols other than a comma (,).**
- **For a loss reported on the PIT-1, line 9, place a minus sign (-) immediately to the left of the loss amount. Do not use brackets or parentheses.**

For example, if your federal adjusted gross income is negative \$23,742.48, the money field entry for a loss on your PIT-1, line 9 would look like this:

- 23,742	00
----------	----

**Please leave blank all spaces and boxes that do not apply to you.** Do not draw lines through or across areas you left blank.

**Complete the top of page 1 of the PIT-1 return.**

**Name and Address Box**

Make sure your name(s), address, and SSN(s) are legible, complete and correct.

Enter the names on a joint return in the same order as on your federal return. Use the same order each year to avoid processing delays.

Mark box 3a (above the address block) if you moved or changed your address since your last filing.

**Reporting Changes of Address**

If your mailing address is new or has changed, be sure to mark box 3a. If you move after filing your return and you expect a refund, notify both the post office serving your old address and the Department of your change of address. This helps in forwarding your refund or any other correspondence related to your tax return to your new address. To report a change of address by mail, use Form RPD-41260, *Personal Income Tax Change of Address Form*. **Your original signature is mandatory for a change of address.**

**Filing Period**

All information on your return, except your mailing address, is for calendar year January 1, 2013 through December 31, 2013, or for your fiscal year. If you are filing for a fiscal year, enter the month, day, and year your tax year began and the month, day, and year it ended at the top of the first page. Your tax year must match the tax year of your federal return. Do not file short year returns unless allowed by the Internal Revenue Code (IRC).

**LINES 1 through 4 Social Security Number(s), Blind for federal income tax purposes, 65 years of age and older, Residency status, Taxpayer's and spouse's date of birth, and Deceased taxpayer or spouse information**

Enter your name, address, and SSN and, if applicable, your spouse's name and SSN in exactly the same order as on your federal return. **Your spouse's name and SSN are necessary even if you are married filing separately.**

**IMPORTANT:** Make sure the address you enter is an address where you can receive mail.

If you or your spouse do not have an SSN, but do have an ITIN assigned by the IRS, enter the ITIN everywhere the SSN is required.

**NOTE:** The IRS requires a non-resident alien spouse to have either an SSN or an ITIN, if **any** of the following is true:

- You file a joint return.
- You file a separate return and claim an exemption for your spouse.
- Your spouse is filing a separate return.

**You must provide your own SSN and ITIN, and if applicable, your spouse's SSN and ITIN, or your return is not complete and will not be processed.**

Indicate, **by placing an X in the boxes provided**, if you or your spouse (if applicable) are blind for federal income tax purposes in boxes 1c and 2c, **or** 65 years of age or older in boxes 1d and 2d. The Department at some time may request proof that you or your spouse are blind for federal purposes. Please do not attach the proof to your return.

**Residency Status.** Use boxes 1e and 2e to enter **R, N, F,** or **P** to indicate your residency status as defined here:

- **Resident.** New Mexico full-year residents and individuals who were physically present in New Mexico for 185 days or more during the tax year, but not first-year residents,

or certain military servicemembers and their qualifying spouses, must mark **R** in the **Residency status** box.

- **First-Year Resident.** If you moved into New Mexico during the tax year with the intent of establishing domicile in New Mexico, mark **F** in the **Residency status** box. You are a first-year resident whether or not you were physically present in New Mexico for fewer than 185 days during the tax year.
- **Part-Year Resident.** If you were physically present in New Mexico for fewer than 185 days during the tax year, and you were domiciled in New Mexico during part of the tax year but not on the last day of the tax year, mark **P** in the **Residency status** box.
- **Non-Resident.** If you were physically present in New Mexico for fewer than 185 days and you were not domiciled in New Mexico during any part of the year, mark **N** in the **Residency status** box.
- **Military servicemembers and their qualifying spouse's temporarily assigned to New Mexico** who have established residency outside New Mexico enter **N**.

See *Resident, First-Year Resident, Part-Year Resident, and Non-Resident* on page 3 for more information.

New Mexico's law says every person with income from New Mexico sources who is required to file a federal income tax return must file a personal income tax return in New Mexico. This includes non-residents who have income from wages, rents, royalties, businesses, estates ... every New Mexico source. Even foreign nationals and persons who reside in states that do not have income taxes must file in New Mexico when they have a federal filing requirement and have income from any New Mexico source whatsoever.

#### **Deceased Taxpayer or Spouse**

On lines 4c or 4d, enter the date (mm/dd/ccyy) of death if the taxpayer or the spouse named on the return died before the return is filed. Enter the claimant's name and SSN on lines 4a and 4b **only** when the refund must be made payable to the order of a

person other than the taxpayer or taxpayer's spouse. See *Representatives of Deceased Taxpayers* on page 4 for further details.

#### **LINE 5 Exemptions**

Enter the number of exemptions allowed on your federal return for yourself, your spouse if filing a joint return, and your qualifying dependents. New Mexico uses the same definitions and qualifications as the IRS to determine if someone is your dependent.

If you were or your spouse was a dependent or qualify as a dependent of another individual for federal income tax purposes, whether or not you or your spouse were claimed as a dependent on the other person's federal return, exclude that spouse from your allowable exemptions.

The next examples show when to enter **1**, **2**, or **00** exemptions:

- If neither you nor your spouse can be claimed as a dependent of another individual for federal income tax purposes, enter **1** exemption if married filing separately and **2** exemptions if married filing jointly.
- If filing jointly and if someone can claim you or your spouse, but not both, on the federal return, enter **1** exemption.
- If filing jointly and both you and your spouse qualify to be claimed as a dependent on another person's federal return, your allowable exemption is **00**.

#### **LINE 6 Extension of Time to File**

Mark an **X** in the extension indicator box on PIT-1, line 6 and enter the date (mm/dd/ccyy) the extension expires. If you were granted a federal automatic six-month extension (through October 15th) or you received approval for a New Mexico extension, it is not necessary to attach a copy of federal Form 4868, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*, or New Mexico Form RPD-41096, *Application for Extension of Time to File*.

Special instructions and backup are

required if you are granted a federal extension for a period of more than six months, or granted a New Mexico extension for military personnel deployed in a combat zone. See *Extension of Time to File* on page 13 of these instructions for more information.

**Reminder: An extension of time to file your return DOES NOT extend your time to pay.**

#### **LINE 7 Filing Status, Boxes 1 - 5**

Show your filing status by marking an **X** in the box to the left of the filing status. Use the same filing status on your PIT-1 return that you used on your federal return. If you did not file a federal return, use the filing status you would have used for federal income tax purposes.

**NOTE: New Mexico is a community property state.** For married persons filing separately or divorced during 2013, or married persons filing jointly and claiming the exemption for income of persons 100 years or older, or allocating and apportioning income in and outside New Mexico, both your New Mexico and federal returns **MUST** reflect a correct division of **community and separate income and payments**.

If your income and payments are not evenly distributed, attach a copy of a statement reflecting a correct division of community and separate income and payments. Include your spouse's or former spouse's name and SSN on the statement. Attach the statement explaining the division of community income and payments to your PIT-1 return even if you did not file a federal return. See Publication [FYI-310, Community Property, Divorce, Separation and Your New Mexico Income Tax](#), for more details.

If you marked box 3 of line 7 for **Filing Status** married filing separately, you must enter your spouse's name and SSN on lines 2a and 2b.

If you marked box 4 of line 7 for **Filing Status** head of household, you must enter the name of the person who qualifies you as head of household if

that person is a child and not eligible to be included as a qualified dependent exemption on line 8 under federal regulations.

**LINE 8  
Dependents**

Enter the name, SSN, and date of birth of each dependent reported on your federal return. If you have more than five qualifying dependents, enter the name, SSN, and date of birth of the first five qualifying dependents on PIT-1, line 8 and the remaining qualifying dependents on 2013 Schedule PIT-S. Attach Schedule PIT-S to your 2013 PIT-1 return.

**IMPORTANT:** To avoid processing delays, **do not use Schedule PIT-S if you have five or fewer qualifying dependent exemptions.**

Do not file Schedule PIT-S unless the five dependent lines are filled in on PIT-1, line 8 and additional lines are needed for qualifying dependent exemptions exceeding five.

Enter **only** qualifying dependent exemptions allowed on your federal return. Do not include yourself or your spouse if filing a joint return. New Mexico uses the same definitions and qualifications as the IRS to determine if someone is a qualified dependent. See the instructions for Federal Form 1040, 1040A, or 1040EZ to determine who you may claim as a dependent exemption.

You must enter your dependent's **correct SSN** and be sure that the name agrees with the individual's social security card. If your dependent is not eligible to obtain an SSN, use the ITIN required by the IRS. For details on how to apply, visit the IRS at [www.irs.gov](http://www.irs.gov).

You must enter the **dependent's date of birth** in mm/dd/ccyy format.

If your qualified dependent child was born and died in 2013 and an SSN was not obtained, enter all 9s in the Dependent's SSN column on line 8 and attach a copy of the child's birth certificate, death certificate, or hospital records. The document must show the

child was born alive.

**LINE 9  
Federal Adjusted Gross Income**

Enter the federal adjusted gross income as reported on your federal form:

If you filed <u>Federal form</u>	Enter the <u>amount from</u>
1040	Line 38
1040A	Line 22
1040EZ	Line 4

**Royalty Income of Non-Residents**  
Non-resident taxpayers who elect to compute tax on **gross** royalty income under \$5,000 using special procedures instead of filing a PIT-1 return and the Schedule PIT-B, please see *Royalty Income of Non-Residents* on page 4 of these instructions to complete the PIT-1.

Skip lines 9 through 16a. Then enter **Y** in the box on PIT-1, line 18a instead of an **R** for computing tax using the rate table, or **B** for computing tax using Schedule PIT-B.

Enter your total **gross** royalty income from New Mexico sources on line 17 and compute the tax by applying the gross royalty income to the tax rate tables. Then follow the instructions for

lines 22 and 23, and lines 26 through 41.

**LINE 10  
Itemized State and Local Tax Deduction**

If you itemized deductions on your 2013 federal income tax return, on your PIT-1 Return you must add back all or part of the amount shown for **Taxes You Paid (state and local)** on federal Form 1040, Schedule A, line 5. But, the following restrictions apply:

- The amount cannot be below the standard deduction amount you would have qualified for if you had not elected to or if you were required to itemize your deductions on your federal return.
- If the amount of the itemized deductions allowed on your federal return is limited because your federal adjusted gross income exceeds certain thresholds, your state and local tax deduction add-back is also reduced. The add-back is reduced by a percentage equal to the itemized deductions allowed and the total itemized deductions reported on federal Form 1040, Schedule A, before the limitation is applied.

<b>Worksheet for Computing the Amount on Line 10 of the PIT-1 Return</b>	
1. Enter the state and local income tax deduction you claimed on federal Form 1040, Schedule A, line 5.	\$
2. Enter your total itemized deductions from federal Form 1040, line 40. Also enter this amount on PIT-1, line 12, and mark the box on line 12a.	\$
3. Enter the sum of the amounts you reported on federal Form 1040, Schedule A, lines 4, 9, 15, 19, 20, 27, and 28.	\$
4. Divide line 2 by line 3. Round to 4 decimal places.	
5. Multiply line 4 by line 1.	\$
6. Enter the standard deduction amount you could have claimed on federal Form 1040, line 40, if you had not itemized your federal allowable deductions.	\$
7. Subtract line 6 from line 2. If less than zero, enter zero.	\$
8. Enter the lesser of lines 5 and 7. <b>Also enter this amount on PIT-1, line 10.</b>	\$



To determine the amount to enter on line 10, complete the *Worksheet for Computing the Amount on Line 10 of the PIT-1 Return* on page 20.

**LINE 11**  
**Total Additions for Federal Adjusted Gross Income**

See the instructions for lines 1 through 5 on the 2013 Schedule PIT-ADJ if **any** of the following are true:

- You received interest and dividends from federally tax-exempt bonds.
- You have a net operating loss.
- You had contributions refunded when closing a New Mexico-approved Section 529 college savings plan account.
- You had certain contributions rolled out of a New Mexico-approved Section 529 college savings plan account.
- You claimed charitable deductions on federal Form 1040, Schedule A for a donation of land to private non-profit or public conservation agencies for conservation purposes from which you were allowed the New Mexico land conservation tax credit.

**LINE 12**  
**Federal Standard or Itemized Deduction Amount**

Enter on PIT-1, line 12 your allowable federal **itemized deductions** from federal Form 1040, line 40 if you itemized your deductions on your 2013 federal Form 1040. Also mark **checkbox 12a** and **complete line 10**.

If you did not itemize your deductions, enter on PIT-1, line 12 the allowable federal **standard deduction** from federal Form 1040, line 40 or from 1040A, line 24.

**Mark box 12a only** if you itemized your deductions on federal Form 1040, line 40.

If you claim a charitable deduction in your federal itemized deductions on federal Form 1040, Schedule A for a donation of land to private non-profit or public conservation agencies for

conservation purposes from which you were approved for the New Mexico land conservation tax credit, you must add back the charitable deduction amount included in your itemized deductions on your federal Form 1040, Schedule A. Add the charitable deduction amount on Schedule PIT-ADJ, line 4.

Filers of federal Form 1040EZ enter the amount from Form 1040EZ, line 5. Because that amount includes both your standard deduction and your dependency exemption, leave PIT-1, line 13 blank. See line 13 below.

**LINE 13.**  
**Federal Exemption Amount**

Enter on line 13 the federal exemption amount allowed from federal Form 1040, line 42 or the amount from federal Form 1040A, line 26. If you filed federal Form 1040EZ, leave line 13 blank. Your deduction for personal exemptions is included in the amount on line 12.

**LINE 14**  
**New Mexico Low- and Middle-Income Tax Exemption**

A New Mexico income tax exemption is allowed for individuals who are low- and middle-income taxpayers. All taxpayers, including residents, first-year residents, part-year residents, or non-residents may claim this exemption in full. The maximum is \$2,500 for each qualified exemption for federal income tax purposes. The amount varies according to filing status and adjusted gross income.

To claim the exemption, the amount on PIT-1, line 9 **must be equal to or less than:**

- \$36,667, if single;
- \$27,500, if married filing separately; **or**
- \$55,000, if married filing jointly, qualified widow(er), or head of household.

Use the worksheet on page 22 of these instructions to compute the New Mexico low- and middle-income tax exemption.

**LINE 15**  
**Deductions/Exemptions from Federal Adjusted Gross Income**

See the instructions for lines 6 through 21 on 2013 SCHEDULE PIT-ADJ if **any** of the following are true:

- You have interest and dividend income on New Mexico state and local bonds.
- You have a New Mexico net operating loss carryover.
- You have interest income from U.S. government obligations.
- You have railroad retirement income not taxable by New Mexico.
- You or your spouse, or both, are members of an Indian nation, tribe, or pueblo and your income was wholly earned on the lands of the reservation or pueblo of which the individual is an enrolled member while domiciled on that land, reservation, or pueblo.
- You or your spouse, or both, are age 100 or over **and** you are not dependents of another taxpayer.
- You or your spouse, or both, are age 65 or over or blind and your adjusted gross income is not over \$51,000 for a joint return; \$28,500 for a single taxpayer; or \$25,500 for married taxpayers filing separately.
- You have a New Mexico medical care savings account.
- You contribute to a New Mexico-approved Section 529 college savings plan.
- You have net capital gains for which you can claim a deduction of up to \$1,000 or 50% of your net capital gains, whichever is greater.
- You have military wages or salary from active duty service.
- You or your spouse, or both, are age 65 or over and you have unreimbursed or uncompensated medical care expenses of \$28,000 or more for yourself, your spouse, or dependents.
- You, your spouse, or dependents have expenses related to donating human organs for transfer to another person.
- You received a reimbursement from the New Mexico National Guard

## New Mexico Low- and Middle-Income Tax Exemption Worksheet

Complete this worksheet to determine your New Mexico Low- and Middle-Income Tax Exemption for line 14.

Do not attach this worksheet to your PIT-1 return. Keep a copy in your records.

<b>You are eligible to claim the New Mexico Low- and Middle-Income Tax Exemption if:</b>	
<b>Your filing status is</b>	<b>and your federal adjusted gross income is</b>
Single	\$36,667 or less
Married filing jointly or surviving spouse	\$55,000 or less
Head of household	\$55,000 or less
Married filing separately	\$27,500 or less

1. Enter the amount reported on PIT-1, line 9.  
If your federal adjusted gross income is greater than the amount listed in the table above for your filing status, do not complete this form because you do not qualify for this exemption. ....
  
2. If your filing status on PIT-1, line 7 is: .....
  - Single, enter \$20,000.
  - Married filing jointly or qualified widow(er), enter \$30,000.
  - Head of household, enter \$30,000.
  - Married filing separately, enter \$15,000.
  
3. Subtract line 2 from line 1. If the result is negative, enter zero here, skip line 4, and enter zero on line 5. ....
  
4. If your filing status on PIT-1, line 7 is: .....
  - Single, enter 0.15.
  - Married filing jointly or qualified widow(er), enter 0.10.
  - Head of household, enter 0.10.
  - Married filing separately, enter 0.20.
  
5. Multiply line 3 by line 4 and enter the result. ....
  
6. Subtract line 5 from \$2,500. ....
  
7. Enter the number of federal exemptions\* reported on PIT-1, line 5. ....
  
8. Multiply line 6 by line 7. Enter this amount here and on PIT-1, line 14. ....

1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	

\* **A federal exemption** is an exemption allowable for federal income tax purposes.

servicemember's life insurance reimbursement fund.

or

- You were required to include in your federal adjusted gross income taxable refunds, credits, or offsets of state and local income tax (Form 1040, line 10).

**LINE 16  
Medical Care Expense Deduction**

Any taxpayer who files a New Mexico PIT-1, *Personal Income Tax Return*, including out-of-state residents with income tax responsibility to New Mexico, may claim a deduction for medical care expenses paid during the tax year for medical care of the taxpayer, the taxpayer's spouse, or a dependent. Use the worksheet on this page to determine your deduction amount to enter on PIT-1, line 16.

**IMPORTANT: To claim the medical care expense deduction, both lines 16 and 16a must be completed or any medical care expense deduction will be denied.**

When medical expenses are incurred for services provided by a medical doctor, osteopathic physician, dentist, podiatrist, chiropractic physician, or psychologist, **the person providing the service must be licensed or certified to practice in New Mexico** or the medical expenses incurred cannot be included to compute the deduction for medical care expenses. An exception to the requirement for the doctor to be licensed or certified in New Mexico, applies when the medical expenses are for qualified long-term care services as defined in Section 7702B (c) of the Internal Revenue Code.

**For purposes of the medical care expense deduction, you may claim only unreimbursed and uncompensated medical expenses NOT included in your itemized deduction amount on the federal Form 1040 return, Schedule A.** Medical care expenses not included in the itemized deduction amount, because they are part of the federal 10%, or 7.5% if applicable, of adjusted gross income floor amount, can be included here.

**Worksheet for Computing Medical Care Expense Deduction**

- Determine your eligible medical care expenses paid during the tax year and enter here. **IMPORTANT:** Also enter this amount on line 16a..... 1. \$ \_\_\_\_\_
- From the **Medical Care Expenses** table below, enter the correct **Percentage of Paid Medical Expenses** based on your filing status and your adjusted gross income. .... 2. \_\_\_\_\_ %
- Multiply line 1 by line 2. Enter on PIT-1, line 16..... 3. \$ \_\_\_\_\_

**Medical Care Expenses**

**Surviving Spouses and Married Individuals Filing Joint Returns**

<i>If Adjusted Gross Income Is</i>	<i>Percentage of Paid Medical Expenses</i>
Not over \$30,000	25%
From \$30,001 to \$70,000	15%
Over \$70,000	10%

**Single Individuals and Married Persons Filing Separate Returns**

<i>If Adjusted Gross Income Is</i>	<i>Percentage of Paid Medical Expenses</i>
Not over \$15,000	25%
From \$15,001 to \$35,000	15%
Over \$35,000	10%

**Head of Household**

<i>If Adjusted Gross Income Is</i>	<i>Percentage of Paid Medical Expenses</i>
Not over \$20,000	25%
From \$20,001 to \$50,000	15%
Over \$50,000	10%

**NOTE:** If you or your spouse are 65 years of age or older and you paid unreimbursed and uncompensated medical care expenses over \$28,000 during the current tax year, you may **also** be eligible to claim an exemption of \$3,000 and a tax credit of \$2,800. See the instructions for Schedule PIT-ADJ, line 17 and Schedule PIT-RC, line 23 for details.

Reimbursed and compensated insurance premiums, like those paid with pre-tax dollars under cafeteria and similar benefit plans, are also ineligible. Some of the expenses you may include are:

- Amounts paid as premiums under Part B of Title XVIII of the Social Security Act (Medicare),
- Amounts paid for a qualified long-term care insurance contract defined in Section 7702B(b) of the Internal Revenue Code, and

3. Unreimbursed insurance premiums and co-payments not deducted for federal purposes. **NOTE:** Premiums paid with pre-tax dollars through payroll deductions are not eligible.

For purposes of this deduction:

- “Health care facility” means a hospital, outpatient facility, diagnostic and treatment center, rehabilitation center, free-standing hospice, physician’s office, or other similar facility, regardless of location, where medical care is provided and which is licensed by any governmental entity;
- “Medical care” means the diagnosis, cure, mitigation, treatment or prevention of disease, or care for the purpose of affecting any structure or function of the body;
- “Medical care expenses” means amounts paid for:
  - The diagnosis, cure, mitigation,

treatment or prevention of disease, or care for the purpose of affecting any structure or function of the body, if **provided by a physician or in a health care facility**. Cosmetic surgery is not eligible;

b. Prescribed drugs or insulin, and oxygen. A “prescribed drug” is a drug or biologically active substance for use in or on humans that requires a prescription or administration by a person licensed to do so. Costs for over-the-counter drugs are not eligible. Prescribed drugs for animals are not eligible;

c. Qualified long-term care services as defined in Section 7702B (c) of the Internal Revenue Code;

d. Insurance covering medical care, including amounts you paid as premiums under part B of Title XVIII of the Social Security Act (Medicare) or for a qualified long-term care insurance contract defined in Section 7702B (b) of the Internal Revenue Code, if the insurance or other amount is income for the tax year;

e. Nursing services, regardless of where the services are rendered, if provided by a practical nurse or a professional nurse licensed to practice in the state according to the Nursing Practice Act;

f. Specialized treatment or the use of special therapeutic devices if a physician prescribes the treatment or device, and the patient can show that the expense was incurred primarily for the prevention or alleviation of a physical or mental defect or illness. “Special therapeutic devices” include corrective eyeglasses, contact lenses and hearing aids prescribed by a physician. Expenses for guide dogs, however, are excluded;

g. Care in an institution other than a hospital, such as a sanitarium or rest home, if the principal reason for the presence of the person in the institution is to receive the medical care available. If the meals and lodging are a necessary part of such care, the cost of the meals and lodging are “medical care expenses.”

4. “Physician” means a medical doctor, osteopathic physician, dentist, podiatrist, chiropractic physician or psychologist licensed or certified to practice in New Mexico.

Physicians licensed or certified to practice in New Mexico are recognized for this deduction. Also qualified are licensed practical nurses and registered professional nurses licensed in New Mexico. Costs of care provided by other health care professionals such as physical therapists, acupuncturists, and others licensed by the New Mexico Department of Health are deductible only if the care was provided in their offices or at other qualified health care facilities in New Mexico.

Keep full documentation of all medical care expenses for which you claim a deduction on this line. **Do not send the documentation with your tax return.** Keep your receipts in case you are selected for audit or verification of deductions claimed.

Married couples filing separately may claim only those expenses personally incurred. They may not claim any expenses the spouse has already claimed or plans to claim.

Do not claim payments to a veterinarian or veterinary clinic or any other expenses for family pets or other animals.

You may claim the medical care expense deduction in an amount equal to the percentage of medical care expenses paid during the tax year based on the filing status and adjusted gross income. See the **Medical Care Expenses** table on page 23.

#### **LINE 16a Unreimbursed and Uncompensated Medical Care Expenses**

Enter the total of unreimbursed and uncompensated medical care expenses used to compute the medical care expense deduction claimed on line 16. To claim the medical care expense deduction, complete both lines 16 and 16a or any medical care expense deduction will be denied.

#### **LINE 17 New Mexico Taxable Income**

Add lines 9, 10, and 11, then subtract the sum of lines 12, 13, 14, 15, and 16. Enter zero if the result is negative. This is your New Mexico taxable income.

Line 18 shows your New Mexico tax due based on your calculation of New Mexico taxable income amount on line 17.

#### **LINE 18 New Mexico Tax**

Calculate your tax. Use either the rate tables beginning on page 1T or on Schedule PIT-B. You must also complete line 18a. Complete Schedule PIT-B to calculate your tax if you have income from sources inside and outside New Mexico. Otherwise, use the tax rate tables. When using the rate tables, please be very careful. **MAKE SURE** you use the taxable income amount on line 17.

If you qualify to file Schedule CC, *Alternative Tax Schedule*, enter **only the amount from Schedule CC, line 3** on line 18. Schedule CC is to be used by taxpayers who:

- Have no business activities in New Mexico other than sales,
- Do not own or rent real estate in New Mexico, **and**
- Have annual gross sales in or into New Mexico of \$100,000 or less.

#### **LINE 18a New Mexico Tax Computation Indicator**

On line 18a, mark the indicator box with an **R** if you used the rate tables, or **B** if you used the Schedule PIT-B to compute your tax. If you compute your tax using Schedule CC, enter **R**.

Non-resident taxpayers who elect to compute tax on **gross** royalty income under \$5,000, using special procedures instead of filing a PIT-1 return and Schedule PIT-B, enter the **gross** royalty income from New Mexico sources on line 17 and enter a **Y** in box 18a of the PIT-1. Compute the tax by applying the tax rate tables to the **gross** royalty income. Then follow the

## Worksheet for Computing Tax on Lump-Sum Distributions

1. Taxable income from PIT-1, line 17 .....1. \_\_\_\_\_
2. Amount of lump-sum income reported for purposes of 10-year tax option or capital gains election on federal Form 4972 .....2. \_\_\_\_\_
3. MULTIPLY line 2 by 0.20 and enter .....3. \_\_\_\_\_
4. ADD lines 1 and 3 .....4. \_\_\_\_\_
5. Enter the tax from the tax rate tables on the amount on line 4 .....5. \_\_\_\_\_
6. Enter the tax from the tax rate tables on the amount on line 1 .....6. \_\_\_\_\_
7. SUBTRACT line 6 from line 5 and enter difference .....7. \_\_\_\_\_
8. MULTIPLY the amount on line 7 by 5. (This is the additional averaged tax due on the lump-sum income.) Enter on PIT-1, line 19 .....8. \_\_\_\_\_

instructions for lines 22 and 23, and lines 26 through 41. Also see *Royalty Income of Non-Residents* on page 4 of these instructions.

### LINE 19 Tax on Lump-Sum Distributions

If you received a lump-sum payment and are using the federal special ten-year tax option on federal Form 4972, use the *Worksheet for Computing Tax on Lump-Sum Distributions* above to compute your New Mexico averaged tax. You are not eligible to use the New Mexico averaging method if you did not use the federal averaging methods available. Enter the amount on line 8 of the worksheet to compute tax on lump-sum distributions on PIT-1, line 19.

If you file Schedule PIT-B because you have income sources in and outside New Mexico, allocate to New Mexico on Schedule PIT-B, line 3 the portion of the lump-sum distribution you received while a resident. If you are a **full-year resident or a resident** because you were physically present in New Mexico for 185 days or more, you must allocate to New Mexico the lump-sum distribution you received during the entire year. If you are a first-year resident or a part-year resident, allocate only the amount of lump-sum distribution you received while a resident of New Mexico.

**IMPORTANT:** If you used Schedule

PIT-B to calculate New Mexico tax liability on line 18 and also used the federal special tax option and New Mexico averaging methods to calculate tax on a lump-sum distribution on line 19, **DO NOT** add line 19 when completing line 22 on the PIT-1 as instructed. Instead subtract the sum of lines 20 and 21 from the amount entered on line 18. Skip line 19. You do not need to add PIT-1, line 19 when completing PIT-1, line 22 because the New Mexico portion of line 19 (lump sum distributions) is included in PIT-B, line 14.

### LINE 20 Credit for Taxes Paid to Another State

A **resident** of New Mexico who must pay tax to another state on income that is also taxable in New Mexico may take a credit against New Mexico tax for tax paid to the other state.

**This credit is for tax that another state imposes on any portion of income that by law is included in New Mexico net income.** Do not include tax withheld when calculating the allowable credit. **If the specific item of income is not subject to taxation in both states, no credit is available.**

The credit may not be more than:

- The New Mexico tax liability due on the return,
- The tax paid to the other state, **and**

- The amount of New Mexico income tax liability computed on that portion of income taxed in both states.

Complete the worksheet on the next page and attach a copy of the worksheet(s) and complete income tax return(s) from the other state(s) to your PIT-1.

Income allocated or apportioned outside New Mexico on Schedule PIT-B does not qualify for credit for taxes paid to another state on that same income. **If a Schedule PIT-B is filed, only income required to be allocated or apportioned to New Mexico and included in Column 2 on Schedule PIT-B will qualify for a credit for tax paid to another state.**

For example, a New Mexico resident's interest earned from an investment in Arizona is allocated to New Mexico on Schedule PIT-B, Column 2. Because the interest income is required to be allocated to New Mexico and if it is also taxed in Arizona, the credit for taxes paid to another state may be claimed.

Income that is not required to be allocated or apportioned to New Mexico will not qualify for the credit for taxes paid to another state.

For example, rental income from property located outside of New Mexico is allocated outside New Mexico on Schedule PIT-B. Because that income is not included in Column 2 on Schedule PIT-B, credit for tax paid to another state cannot be claimed.

Income tax you paid to any municipality, county, or other political subdivision of a state or to any central government of a foreign country does not count toward the credit.

"State" includes the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, and states and provinces of foreign countries. "State" does not include their central governments.

**NOTE:** Effective for retirement income received after December 31, 1995, federal law prohibits any state from taxing certain retirement income (mainly

## Worksheet for Computation of Allowable Credit for Taxes Paid to Other States by New Mexico Residents

**NOTE:** Complete a separate worksheet for each state that imposed tax on income also taxed in New Mexico.

	<u>Column 1</u> From the New Mexico return	<u>Column 2</u> From the other state's return
Name of other state _____		
1. Enter amount of tax paid to the state.....	1. _____	1. _____
2. Enter taxable income on which you calculated the tax on line 1. If applicable, enter the state's taxable income after applying the state's allocation and apportionment percentage. For New Mexico, this is from PIT-1, line 17 (New Mexico Taxable Income) multiplied by the New Mexico percentage, if any, on PIT-B, line 12.....	2. _____	2. _____
3. DIVIDE line 1 by line 2. This is the average effective tax rate on the state's income. Calculate to four decimal places (e.g., 0.0463).....	3. _____	3. _____
4. From each state's return, enter the portion of income subject to tax in both states, but not more than the amount on line 2.....	4. _____	4. _____
5. MULTIPLY line 3 by line 4.....	5. _____	5. _____
6. Enter the lesser of line 5, column 1 and line 5, column 2. This is the credit allowed for tax paid to the other state.....	6. _____	

Enter the amount from line 6 of this worksheet on the 2013 PIT-1 return, line 20. If you claim a credit for tax paid to multiple states, sum the amounts on line 6 from the worksheets you completed for each state, and enter the amount on the 2013 PIT-1 return, line 20.

Please attach this worksheet(s) to your 2013 PIT-1 return if you are claiming credit for taxes paid to another state on page 1, line 20 of the PIT-1 return.

pension income) unless you are resident of, or domiciled in, that state. For example, you receive a pension from your former California employer and you now reside in New Mexico. California may not tax your retirement income. The retirement income is taxable in New Mexico because you are a New Mexico resident.

Some taxpayers have permanent homes in other states, but they are physically present in New Mexico for at least 185 days during the tax year. They must file as residents of New Mexico. They allocate their income to New Mexico as a resident on the PIT-B allocation and apportionment schedule, and if they qualify, they also may take a credit for taxes paid to their home state on PIT-1, line 20.

#### **LINE 21**

##### **Non-Refundable Credits**

See the instructions for Schedule PIT-CR, lines 1 through 20, if you are eligible to claim one or more of the following non-refundable credits or if you are claiming any film production tax credit against the tax due on your return:

- Preservation of Cultural Property Credit
- Business Facility Rehabilitation Credit
- Rural Job Tax Credit
- Technology Jobs (Additional) Tax Credit
- Electronic Card-Reading Equipment Tax Credit
- Job Mentorship Tax Credit
- Land Conservation Incentives Credit
- Affordable Housing Tax Credit
- Solar Market Development Tax Credit
- Blended Biodiesel Fuel Tax Credit
- Sustainable Building Tax Credit
- Angel Investment Credit
- Rural Health Care Practitioners Tax Credit
- Agricultural Water Conservation Tax Credit

- Advanced Energy Tax Credit
- Geothermal Ground-Coupled Heat Pump Tax Credit
- Agricultural Biomass Tax Credit
- Film Production Tax Credit (applied to tax due)
- Cancer Clinical Trial Tax Credit
- Veterans Employment Tax Credit

You must attach Schedule PIT-CR and any required forms or documentation to support your claim.

#### **LINE 22**

##### **Net New Mexico Income Tax**

Add lines 18 and 19, then subtract the sum of lines 20 and 21. This amount cannot be less than zero.

If you used Schedule PIT-B to calculate New Mexico tax liability on line 18 and also used the federal special tax option and New Mexico averaging methods to calculate tax on a lump-sum distribution on line 19, **DO NOT** add line 19 when completing PIT-1, line 22. Instead, subtract the sum of lines 20 and 21 from line 18. See the instructions for line 19 for more information.

#### **LINE 24**

##### **Rebates and Credits**

Complete and attach Schedule PIT-RC if you claim any of the special New Mexico rebates or refundable credits. The **PIT-RC, New Mexico Rebate and Credit Schedule**, is a separate schedule used by PIT-1 return filers to claim **any** of the following refundable credits:

- Low income comprehensive tax rebate,
- Property tax rebate (for low-income persons 65 or older),
- Additional low income property tax rebate for Los Alamos or Santa Fe county residents,
- Child day care credit,
- Refundable medical care credit for persons 65 years of age or older,
- Special needs adopted child tax credit,
- Renewable energy production tax credit,  
**or**
- Refundable portion of the film production tax credit.

#### **LINES 25 and 25a**

##### **Working Families Tax Credit**

Enter the amount of Earned Income Credit (EIC) reported on your 2013 federal Form 1040, 1040A, or 1040EZ on PIT-1, line 25a. Multiply the amount on line 25a by 10% (0.10) and enter the result on line 25. Round the result to the nearest dollar.

**IMPORTANT: You must complete both lines 25 and 25a, or the credit will be denied.**

An individual who was a New Mexico resident during any part of 2013 and who files a New Mexico personal income tax return may claim a credit in an amount equal to 10% of the EIC for which that individual is eligible for the same tax year. An individual who qualified for the working families tax credit may receive a refund if the credit exceeds the income tax liability for the tax year of the claim.

The EIC is a refundable federal income tax credit for low income working individuals and families. The credit reduces the amount of federal tax you may owe and may increase your refund from the IRS. To see if you may claim the credit, read the rules in the federal 1040, 1040A, or 1040EZ tax packages or see IRS Publication 596, *Earned Income Credit (EIC)*. You may also read about the EIC credit on the IRS website at [www.irs.gov](http://www.irs.gov) and download the publication there.

#### **LINE 26**

##### **New Mexico Income Tax Withheld**

Enter the total of all New Mexico income tax withheld as shown on your annual withholding statements and Form(s) W-2, W-2G, 1099, 1099-R, or 1099-MISC other than income from oil and gas proceeds. Include a copy of the forms with your PIT-1. Do not include income tax withheld from your share of the net income from a PTE or from oil and gas proceeds.

If you had New Mexico tax withheld in error on your wages, salary, or tips, and you had no income tax responsibility to New Mexico on that income, obtain a letter from your employer or payor

explaining the cause of the error and stating that no New Mexico income tax was due on the income reported.

If you had New Mexico tax withheld in error on your pension or annuity, and you had no income tax responsibility to New Mexico on that income, provide a copy of the state income tax return for the state in which you are domiciled or other information showing residency in an other state.

A payment you made for gross receipts tax, withholding tax, compensating tax, or any other type of tax due to the State of New Mexico is not a payment towards your personal income tax liability. Do not include these payments on line 26 as "tax withheld," on line 29 as "estimated," or on line 30 as "other" payments on your personal income tax return.

**LINE 27  
New Mexico Income Tax Withheld From Oil and Gas Proceeds**

Enter the total of all New Mexico income tax withheld from oil and gas proceeds as shown on your annual withholding statements, 1099-MISC, and RPD-41285, *Annual Statement of Withholding of Oil and Gas Proceeds*. Be sure to include a copy of the forms with your PIT-1 return.

An entity that has had tax withheld cannot pass a withholding statement directly to another taxpayer. Generally, the recipient of the withholding statement must file and report the tax withheld on its New Mexico income tax return. However, if a person is a remittee that receives oil and gas proceeds from which tax was withheld, and the person is also a remitter who must pass the oil and gas proceeds and the tax withheld to another remittee, the person may do so by issuing an annual withholding statement, Form RPD-41285, *Annual Statement of*

*Withholding of Oil and Gas Proceeds*, to the next remittee. The remittee may then claim the withholding on its income tax return.

**LINE 28  
New Mexico Income Tax Withheld From a Pass-Through Entity**

Enter the total New Mexico income tax withheld from the net income of PTEs as shown on your annual withholding statements, 1099-MISC, or Form RPD-41359, *Annual Statement of Pass-Through Entity Withholding*. Include a copy of the form(s) with your PIT-1.

An entity that has had tax withheld cannot pass a withholding statement directly to any other taxpayer. Generally the recipient of the withholding statement must file and report the tax withheld on its New Mexico income tax return. However, if a recipient is also a PTE, tax withheld may be passed to the owner of the recipient by issuing the owner an annual withholding statement, Form RPD-41359, *Annual Statement of Pass-Through Entity Withholding*. The owner may then claim the withholding on the owner's income tax return.

**LINE 29  
2013 Estimated Income Tax Payments**

Enter the total of New Mexico estimated tax payments made for 2013 as shown in your records. Include your last installment even if you pay it in 2014. Also be sure to include any 2012 overpayments you applied to 2013 estimated taxes.

**IMPORTANT: Do not include any extension payments made with the PIT-EXT payment voucher or return payments made with PIT-PV payment voucher. Report extension and return payments on line 30. Report only overpayments from prior year**

**returns and estimated payments made with PIT-ES payment vouchers on line 29.**

If any estimated payments were made using different name(s) or SSN(s), attach a schedule to your return showing how each estimated payment was made.

For example, before her marriage in August 2013, a taxpayer made two estimated tax payments in her name and SSN only. She made two additional estimated tax payments after the wedding, but they showed the name of the taxpayer and her new spouse and both SSNs. She enters the total of the estimated payments should be entered on line 29. She also attaches a schedule that shows the name(s) and SSN(s) reported with each payment.

**IMPORTANT:** A payment for gross receipts tax, withholding tax, compensating tax, or any other type of tax due to the State of New Mexico is not a payment towards your personal income tax liability. Do not include these payments as "tax withheld," "estimated," or "other" payments on your personal income tax return.

**LINE 30  
Other Payments**

Enter the total payments made toward the 2013 personal income tax liability not included in line 29. Include return payments made using the PIT-PV payment voucher, and extension payments using PIT-EXT payment vouchers. Include payments made through the Department's website at [www.tax.newmexico.gov](http://www.tax.newmexico.gov) using the PIT-PV or PIT-EXT option.

**NOTE: Do not include in line 30 payments you attach to the return or payments submitted after the return was filed.**

**A payment for gross receipts tax, withholding tax, compensating tax, or any other type of tax due to the State of New Mexico is not a payment towards your personal income tax liability. Do not include these payments as "tax withheld," "estimated," or "other" payments on your personal income tax return.**



**LINE 31**  
**Total Payments and Credits**

Add lines 24 through 30. Enter the total here.

**LINE 32**  
**Tax Due/Amount You Owe**

If line 23 is greater than line 31, the difference is the amount of tax you owe. Enter the difference on line 32.

**LINE 33**  
**Penalty on Underpayment of Estimated Tax**

Enter the amount of penalty on underpayment of estimated tax that you owe. You may leave this line blank if you owe underpayment of estimated personal tax penalty and you want the Department to compute the penalty for you. The Department sends you a bill or if a refund is due, reduces your refund by the amount of the penalty due.

If you want to compute your underpayment of estimated tax penalty, see the instructions for PIT-ES, *Personal Income Estimated Tax Payment Voucher*.

**LINE 34**  
**Special Method Allowed for Calculation of Underpayment of Estimated Tax Penalty**

If you owe penalty for underpayment of estimated personal income tax using the standard method of computing the penalty **and** you qualify for a special penalty calculation method, enter 1, 2, 3, 4, or 5 in the box on PIT-1, line 34 to indicate the method you elect to calculate your underpayment penalty. Attach Form RPD-41272, *2013 Calculation of Estimated Personal Income Tax Underpayment Penalty*, to your PIT-1 return.

See RPD-41272 or the instructions for PIT-ES, *Personal Income Estimated Tax Payment Voucher*, for a description of the calculation methods and the meaning of the entries 1, 2, 3, 4, or 5.

Leave the box blank if you do not qualify for a special method of computing the underpayment of estimated tax penalty. Also leave the box blank if

you do not owe estimated tax using the standard method of computing the underpayment of estimated tax penalty.

Generally, taxpayers who pay penalty on underpayment of estimated tax do not need to mark the box on line 34 or file RPD-41272. However, if you owe penalty for underpayment of estimated payments, you may be able to reduce or eliminate penalty if you qualify for a special penalty calculation method. You must mark line 34 to indicate the special method used.

You must attach Form RPD-41272 to your 2013 New Mexico personal income tax return to be allowed the special penalty calculation.

**LINE 35**  
**Penalty**

Add penalty if you file late and owe tax, or if you do not pay the tax on or before the date the return is due. Calculate penalty by multiplying the unpaid amount on line 32 by 2% (0.02), then by the number of months or partial months for which the payment is late, not to exceed 20% of the tax due. You may leave this line blank if you want the Department to compute the penalty for you. The Department sends you a bill. See *Interest and Penalties* in these instructions for more information.

**LINE 36**  
**Interest**

Add interest if you do not pay the income tax due on or before the original due date of your return even if you receive an extension of time to file. You may leave this line blank if you want the Department to compute the interest for you. **The Department bills you for any penalty or interest due.**

**IMPORTANT:** When your principal tax liability is paid, interest stops accruing. Therefore, you do not need to figure the amount of interest due on your return beyond the date the principal tax is paid.

Beginning January 1, 2008, interest is computed on a daily basis at the rate established for individual income tax purposes by the IRC.

The IRC rate changes quarterly. The annual rate for the four quarters of the 2012 tax year ranged between 3% and 4%. The IRC rate for each quarter is announced by the IRS in the last month of the previous quarter. The annual and daily interest rate for each quarter is posted on our website at [www.tax.newmexico.gov](http://www.tax.newmexico.gov).

The formula for calculating daily interest is **Tax due x the daily interest rate for the quarter x number of days late = interest due.**

**LINES 38 through 41**  
**Overpayment/Refund**

If line 23 is less than line 31, you have an overpayment. Enter the difference. If you have penalty or interest due from lines 33, 35, or 36, reduce the overpayment by the sum. If you do not want to compute any penalty or interest due, enter the difference. The Department reduces your overpayment by the amount of penalty and/or interest computed.

**What Happens To Your Overpayment**

You can decide what to do with your overpayment by entering an amount on lines 39, 40, and 41. If you want your overpayment:

- Used for voluntary fund contributions, enter an amount on line 39 (see Schedule PIT-D, *New Mexico Voluntary Contributions Schedule*);
- Applied to your 2014 estimated tax, enter an amount on line 40;
- Refunded to you, enter an amount on line 41;  
**or**
- Any combination, enter amounts on lines 39, 40, or 41 to indicate how to apply your overpayment.

An overpayment credited toward your 2014 estimated tax cannot be refunded until you have filed your 2014 tax return in 2015. The Department does not refund an amount of one dollar or less unless you attach to your return a signed statement asking for it.

**REFUND EXPRESS**

If you request an amount to be refunded to you on line 41, you may have

your tax refund deposited directly into your bank account through **REFUND EXPRESS**. To choose this method, complete the **REFUND EXPRESS** portion on PIT-1, page 2. **All fields are required.** Complete the bank routing number and the account number. You **must also mark** the appropriate box to indicate the type of account.

To comply with federal banking rules, you must **indicate whether the refund will go to or through an account outside the United States. If so, you may not use this refund delivery option.** However, you may use a different bank account or leave the **REFUND EXPRESS** portion blank. In this case, a paper check is mailed to the address on the return. If you answer the question incorrectly, your refund may be delayed, rejected, or frozen by the National Automated Clearing House Association (NACHA) or the Office of Foreign Assets Control (OFAC).

Failure to complete all four fields properly causes denial of your **REFUND EXPRESS** request. In this case, the Department mails you a paper check. The Department also mails you a paper check if your bank does not accept your **REFUND EXPRESS** information.

**REFUND EXPRESS** is available for deposits to the taxpayer's account only. **Taxpayers may not request the funds to be deposited into the account of another payee.**

The Department is not responsible for the misapplication of a direct deposit refund that is caused by the error, negligence, or malfeasance on the part of the taxpayer.

**Why Use REFUND EXPRESS?**

- Avoid delays that may occur in mailing a check. **REFUND EXPRESS** does not guarantee that you receive your refund check earlier, only that when the check is issued, it reaches the bank more quickly.
- Payment is more secure. There is no check to get lost or stolen.
- **REFUND EXPRESS** is more convenient. No trip to the bank to deposit your check.
- Save tax dollars. A refund by direct deposit costs less than a check.
- **REFUND EXPRESS** is environmentally friendly. Refunds deposited directly into your account reduce the need for paper.

**What is the Routing Number?**

The routing number is for bank identification and **must have nine digits.** If the first two digits are not 01 through 12 or 21 through 32, the system rejects the direct deposit and issues you a check. On the sample check below, the routing number is 211500151.

Your check may state that it is payable through a bank different from the financial institution where you have your checking account. If so, do not use the routing number on that check. Instead, contact your financial institution for the correct routing number to enter on line RE.1.

**Entering Your Account Number**

Your account number can be up to 17 characters. Include hyphens, but omit spaces and special symbols. Enter the number from left to right on line RE.2. Leave unused boxes blank. On the

sample check, the account number is 2015551517. **Do not** include the check number.

**Indicate whether the account is a checking or savings account by entering an X in the appropriate box.**

**CAUTION:** Some financial institutions do not allow a joint refund to be deposited into an individual account. The Department is not responsible if a financial institution refuses a direct deposit.

**Collection of Debts from Your Refund**

The Department keeps all or part of your overpayment if you owe other taxes to the Department. We apply that amount to your liability.

The law also requires the Department to transfer all or part of your overpayment if you owe money for past due child support, educational assistance loans, unemployment compensation, medical support, public assistance or food stamp overpayments, fines, workers' compensation fees, and fees and costs owed to district, municipal, magistrate, or metropolitan courts.

Any amount over your liability and debt is refunded to you.

**If you receive notification that all or part of your refund was transferred to one of the following agencies and you want to protest that action, contact the appropriate agency. The addresses and phone numbers are provided here for your convenience. If your refund was transferred to a claimant agency in error, that agency must correct the error and issue you a refund.**

**EDUCATIONAL ASSISTANCE**

NM Educational Assistance Foundation  
Loan Servicing Department  
Collections  
P.O. Box 27020  
Albuquerque, NM 87125  
(505) 345-3371

**CHILD SUPPORT**

Human Services Department  
Child Support Enforcement Division  
P.O. Box 25110

WALTER MAPLE  
MARIE MAPLE  
123 Main Street  
Anyplace, NM 87000

PAY TO THE ORDER OF \_\_\_\_\_ \$ 1540  
15-000000000

ANYPLACE BANK  
Anyplace, NM 87000

Routing Number: 211500151  
Account Number: 2015551517  
Do not include the check number: 1540

For \_\_\_\_\_

Santa Fe, NM 87504  
ph (505) 827-7206, fax (505) 827-7285  
ph (800) 288-7207 in state  
ph (800) 585-7631 out of state

#### **FINANCIAL ASSISTANCE**

Human Services Department  
Accounts Receivable Bureau  
Restitution Unit  
P.O. Box 2348  
Santa Fe, NM 87504-2348  
(800) 431-4593

#### **DEPARTMENT OF WORKFORCE SOLUTIONS**

New Mexico Department of Workforce Solutions  
Unemployment Insurance Benefit Payment Control  
P.O. Box 1928  
Albuquerque, NM 87103  
(877) 664-6984

For information on specific courts:

#### **ADMINISTRATIVE OFFICE OF THE COURTS**

Warrant Enforcement Division  
237 Don Gaspar, Room 25  
Santa Fe, NM 87501  
(505) 827-4721, 827-4754, or 827-3972

#### **WORKERS' COMPENSATION FEE**

Workers' Compensation Administration  
Financial Management Bureau  
P.O. Box 27198  
Albuquerque, NM 87125-7198  
2410 Centre Ave. SE  
Albuquerque, NM 87106  
(505) 841-6000

#### **Paying Your Tax Liability**

**Making Payment Through the Internet.** Using the Department's website, you may pay by electronic check at **no charge**. Your electronic check authorizes the Department to debit your checking account in the amount and on the date you specify. File and pay tax due online by going to the Department's website at [www.tax.newmexico.gov/Online-Services/Pages/Home.aspx](http://www.tax.newmexico.gov/Online-Services/Pages/Home.aspx) and clicking **pay a tax liability**.

You may also make tax payments by using any of these credit cards—Visa, MasterCard, American Express, or Discover Card—for your online payment. A convenience fee of 2.40% is

applied for using a credit card. The State of New Mexico uses this fee, calculated on the transaction amount, to pay charges from the credit card companies.

**Making Payment by Mail.** Complete the PIT-PV payment voucher if you owe one dollar or more. Include full payment with the voucher. Make your check or money order payable to **New Mexico Taxation and Revenue Department**. Please write your social security number and **2013 PIT-1** on your payment. **DO NOT SEND CASH.**

The Department receives many payment vouchers **without** the check or money order. **Please make sure you only submit a payment voucher if a payment is included.**

#### **SUBMIT ONLY HIGH-QUALITY PRINTED, ORIGINAL FORMS TO THE DEPARTMENT.**

Because the Department uses high-speed scanners when processing payment vouchers, a quality form helps ensure accuracy. Do not photocopy. The scanners can read only one page size to process vouchers; therefore, it is important that you **cut on the dotted line only**. When printing the voucher from the Internet or a software product, prevent resizing by setting the printer's page scaling function to **none**. If your payment voucher has a scanline (a very long row of numbers) within the bottom 1 and 1/2 inch of the voucher do not write in the area around the scanline.

**Please DO NOT combine payment for the amount due on your return with payment for any other tax or estimated payments for 2014. Your payments cannot be separated and credited as you would want.**

A \$20 penalty is assessed for any check not honored by the bank on which it is drawn. This penalty is in addition to any other late filing and late payment penalties that may be assessed.

#### **PAID PREPARERS USE ONLY**

Anyone you pay to prepare your return must sign it and fill in the other blanks in the **Paid preparer's use only** section on page 2 of the return. **Paid pre-**

**parers must sign your return.** The preparer may sign it by hand or any other method of electronic signature acceptable to the IRS.

If someone prepares your return and does not charge you, that person does not sign the return. However, we recommend that you make sure to you record the name of the person who prepared the return and how to contact the person in case there are questions after the return is filed.

Paid preparers are subject to certain requirements. For more information, see *Interest and Penalties* on page 14.

A paid preparer with an 11-digit New Mexico Combined Reporting System (CRS) identification number enters it in the **Paid preparer's use only** section at the bottom of PIT-1, page 2.

**NOTE:** A paid preparer who is not required to have a New Mexico CRS identification number is not required to complete this field. Generally, persons are required to obtain a CRS identification number if they perform services in New Mexico, have an employee or a business location in New Mexico, sell property in New Mexico, or lease property employed in New Mexico.

A paid preparer also enters a federal employer identification number (FEIN) if applicable, and an IRS-issued Preparer Tax Identification Number (PTIN) in the space provided. Include the phone number of the paid preparer.

#### **Tax Preparer's Requirement to Ensure Returns are Filed Electronically.**

Tax preparers who prepare more than 25 New Mexico personal income tax returns must ensure that each return is submitted by Department-approved electronic media, unless the taxpayer whose return is prepared requests otherwise. A \$5 penalty per return is assessed for personal income tax preparers who fail to comply with this requirement.

The requirement applies only to returns filed for the tax year immediately preceding the calendar year in which it is filed.

Department-approved electronic media includes a New Mexico personal income tax return transmitted electronically or submitted in paper form with a 2D barcode, printed on page 2 of the PIT-1 return, that contains the taxpayer's tax return information. The information in the 2D barcode is electronically captured. An electronically transmitted return can be transmitted through the Department's website or transmitted through the Internet using an approved third-party software or online program.

A taxpayer whose return is prepared by another person may elect to waive the tax preparer's requirement to file by electronic media. If the taxpayer does not want the return to be filed by Department-approved electronic media, the preparer must keep a signed Form RPD-41338, *Taxpayer Waiver for Preparers Electronic Filing Requirement*, on file and must **mark the checkbox** in the **Paid preparer's use only** section on the return. Form RPD-41338 does not need to be submitted to the Department with the return.

Now continue with **Step 4** to follow **Step 3** on page 18 of these instructions.

**STEP 4**  
**Check the figures on your return and on the attachments.**

Transfer the figures accurately from your working copy if you prepared one. Check your arithmetic one more time. Enter all items in blue or black ink. **Do not use pencil.**

**STEP 5**  
**Sign and date your return. Please include your phone number and e-mail address at the bottom of page 2 of the PIT-1 return. Complete the PIT-PV payment voucher if your return shows tax due on line 37.**

Sign and date your original return. If you are married and filing a joint return, both spouses must sign the return. Your return cannot be processed if you do not sign it.

Parents of minor children, guardians of dependent taxpayers, surviving spouses, or estate administrators must sign the tax return on behalf of the minor child, dependent, or deceased taxpayer. Print or type the relationship under the signature.

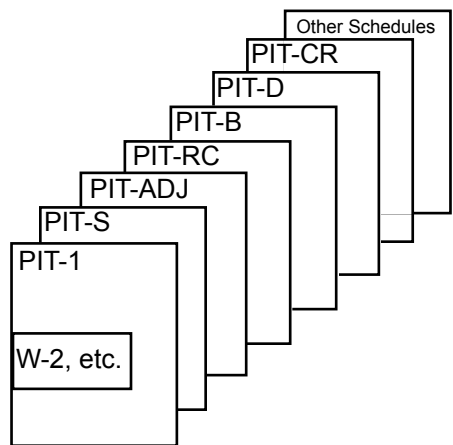
Paid preparers must sign your return.

**STEP 6**  
**Assemble your return (and payment voucher if your return shows tax due).**

Submit only original, official state forms. Copies and poor quality printed forms cause a delay in processing your return. **Keep a copy of your original return and attachments** in a safe place in case you need to refer to them later. If someone prepares your return for you, **be sure to get a copy for your records.**

Refer to the correct way to assemble your return and the various attachments below for the most efficient handling. You can help make sure your return (and your refund, if you are entitled to one) is processed as quickly as possible by taking a few moments to assemble your forms as shown here.

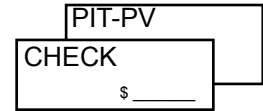
**NOTE: Do not use staples or tape to assemble your return.**



- 2013 PIT-1 return
- 2013 Schedule PIT-S, if required
- 2013 Schedule PIT-ADJ, if required
- 2013 Schedule PIT-RC, if required
- 2013 Schedule PIT-B, if required

- 2013 Schedule PIT-D, if desired
- 2013 Schedule PIT-CR, if required
- Other required schedules or attachments
- Payment (check or money order)
- PIT-PV Payment Voucher

Please do not staple or tape your payment to your payment voucher.



Submit your return and attachments including copies of your annual statements of income and withholding forms W-2 or other annual income or withholding statement.

**STEP 7**  
**Checklist**

Before you mail your return, a quick check can help you avoid common errors that may delay your refund. Complete the *Filing Checklist* on the next page and then continue with step 8.

**STEP 8**  
**Electronically file your return or make sure you mail your return to the correct address.**

If mailing your return to the Department, address your envelope as shown next.

**Mail refund returns and returns without a payment attached to:**

**Taxation and Revenue Dept.  
P.O. Box 25122  
Santa Fe, NM 87504-5122**

**Mail returns with a payment attached to:**

**Taxation and Revenue Dept.  
P.O. Box 8390  
Santa Fe, NM 87504-8390**

**Do not** submit photocopies of the PIT-1 return and schedules to the Department. Submit only original forms. Keep a copy for your records.

**The Department encourages all taxpayers to file electronically whenever possible.** Electronic filing is fast, safe, and secure. It provides the fastest turnaround for a refund and saves tax dollars. A return filed electronically costs less than a paper return. **Taxpayers who file and pay electronically receive an extension of the filing deadline through April 30, 2014.** The filing deadline is April 15, 2014 for all other taxpayers. See *When and Where to File and Pay* on page 12 for details.

**When to Call About Your Refund**  
Generally, electronically filed returns claiming a refund are processed within two to four weeks. A paper return received in the Department early in the tax season takes six to eight weeks. If you file a paper return after March 15, you may not receive your refund for up to 12 weeks.

The status of your refund is now available electronically through the Department's website at [www.tax.newmexico.gov/Online-Services/Pages/Home.aspx](http://www.tax.newmexico.gov/Online-Services/Pages/Home.aspx). Click **Online**

**Services**, and then in the center of the page, click **check the status of a tax refund**. You need your social security number(s) and the amount of refund due to see the status.

If you have to call to ask where your refund check is, please wait until sufficient time has passed for the Department to process your refund claim, then call (505) 827-0827.

Have a copy of your tax return available when you call or visit us on the web.

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## Filing Checklist

- Are name(s) and address complete, correct, and legible?
- Are social security numbers legible, accurate, and entered on both pages of each form or schedule where indicated?
- If filing married filing separately, are the spouse's name and social security number included?
- Did you include W-2 forms and other information returns that show New Mexico income and tax withheld?
- If line 11 or line 15 of the PIT-1 return has an entry, did you include Schedule PIT-ADJ?
- If line 21 of the PIT-1 return has an entry, did you include Schedule PIT-CR?
- If line 24 of the PIT-1 return has an entry, did you include Schedule PIT-RC and, if required, did you answer questions A, B, C, and D on PIT-RC?
- If required, did you include Schedule PIT-B included?
- If line 39 of the PIT-1 return has an entry, did you include Schedule PIT-D?
- Have you checked the arithmetic on your forms? Are all required fields completed and correct?
- DO NOT STAPLE OR TAPE the forms and attachments.**
- Is the return properly signed and dated? Is a contact phone number and e-mail address included on the bottom of the PIT-1 return, page 2?
- Did you prepare the original forms for mailing to the Department and make a copy of **ALL** documents for your records?
- If tax is due, did you mail a PIT-PV payment voucher and check or money order for the full amount to P.O. Box 8390, Santa Fe, NM 87504-8390? Are social security number(s) and **2013 PIT-1** written on your check? Make your check or money order payable to New Mexico Taxation and Revenue Department.  
**NOTE:** The Department supports the fast filing of electronic payments for PIT-PV at [www.tax.newmexico.gov](http://www.tax.newmexico.gov).
- If you are due a refund, did you make sure the address on the front of the PIT-1 return is where you want your refund mailed?
- If you must make estimated tax payments for tax year 2014, did you mail a PIT-ES payment voucher and check or money order to P.O. Box 8390, Santa Fe, NM 87504-8390? Are all social security number(s) and **2014 PIT-ES** written on your check? Make your check or money order payable to New Mexico Taxation and Revenue Department.

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# New Mexico Taxpayer Bill of Rights

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Most tax transactions happen without incident. In an imperfect world, however, occasional disagreements occur through misunderstanding, mathematical error, missed deadlines, misplaced papers, high volume of transactions and many other situations. Over the years the Legislature and the department have established ways to handle difficulties according to the provisions of the state tax code. Following are some of your rights. Should you wish to consult the law itself, you will find it in Sections 7-1-4.1 through 4.3 NMSA 1978:

- The right to available public information and prompt and courteous tax assistance;
- The right to representation and advice by counsel or other qualified representatives at any time during your interactions with us according to provisions of Section 7-1-24 NMSA 1978;
- The right to have audits, inspections of records and meetings conducted at a reasonable time and place according to Sec. 7-1-11 NMSA 1978;
- The right to simple, non-technical information explaining procedures, remedies and rights during audit, protest and collection proceedings under the Tax Administration Act;
- The right to receive an explanation of audit results and the basis for audits, assessments or denials of refunds that identify tax, interest or penalty due;
- The right to seek review through formal or informal proceedings of findings or unfavorable decisions arising from determinations during audit or protest procedures according to Sec. 7-1-24 NMSA 1978;
- The right to have your tax information kept confidential unless otherwise specified by law in Sec. 7-1-8 NMSA 1978;
- The right to an abatement of an assessment of taxes incorrectly, erroneously or illegally made (Sec.

7-1-28 NMSA 1978) and a right to seek a compromise of an asserted tax liability. When the Secretary of Taxation and Revenue in good faith doubts that you owe us what we claim you owe, you also have the right to seek a compromise if one exists in your particular case (Sec. 7-1-20 NMSA 1978);

- The right to clear information of the consequences if a tax assessment is not paid, secured, protested or otherwise provided for according to Sec. 7-1-16 NMSA 1978. If you become a delinquent taxpayer, upon notice of delinquency you have the right to timely notice of collection actions that require sale or seizure of your property under the Tax Administration Act, and
- The right to pay your tax obligations by installment payment agreements according to the provisions of Sec. 7-1-21 NMSA 1978.

## **Confidentiality Provisions:**

Statutes regulating the confidentiality of your taxes continue to be strict. Sec. 7-1-8 NMSA 1978 requires the department to answer questions about whether a taxpayer is registered to do business in this state or is registered for other tax programs, but it does not allow employees to reveal whether you have filed a return. A hearing officer's written ruling on questions of evidence or procedure according to Sec. 7-1-24 NMSA 1978 may be made public, but not the name and identification number of the taxpayer requesting the ruling. Now included in public record are the monthly gasoline tax reports of numbers of gallons of gasoline and ethanol-blended fuels received and deducted, and the tax paid by each filer or payer of the tax. Identities of rack operators, importers, blenders, suppliers or distributors and the number of gallons of gasoline and other fuels are public record. The department may make known to the Gaming Control Board the tax returns of license applicants and their affiliates.

## **Audit Provisions:**

We must provide you with written, dated notice that an audit is about to begin on a specific date, and the notice must tell you which tax programs and reporting periods will be covered. We must issue a second notice, which states any outstanding records or books of account requested and not yet received, between 60 and 180 days after the audit begins. If you do not produce the records within 90 days, the department can issue an assessment of tax on the basis of the information as it stands. If you need additional time, you must submit a specific request in writing. Interest on outstanding liabilities accrues if the department does not issue an assessment within 180 days of the notice of outstanding records or books, or within 90 days after time has expired under your request for additional time; however, you are entitled to an abatement of interest for the period of time after you have complied with department requests and the department has not acted on the audit.

## **Administrative Hearing Procedures:**

A department hearing officer may not engage as an employee in enforcing or formulating general tax policy other than to conduct hearings. You may request the Secretary to determine if a hearing officer's activities have affected his or her impartiality, and the Secretary may assign the case to another hearing officer. Hearing officers may not communicate unilaterally about a matter you have protested while that matter is still pending. The Secretary may appoint another hearing officer if that occurs. You may request a written ruling on any contested question of evidence in matters in which you have filed a pending written protest. You also may request that two or more protests on related issues be combined and heard jointly, and the hearing officer shall grant the request unless it creates an unreasonable burden on the department.

**Credit Claims:**

The department has 180 days from the filing date to approve or deny a statutory tax credit. If it does not act, the credit is approved. The Secretary decides whether a refund of tax due you may be offset against your other tax liabilities, and you will receive notice that the refund will be made accordingly. You are entitled to interest until the tax liability is credited with the refund amount. Please see the paragraph above on "Audit Provisions" for interest due you if the department does not offset a refund or credit against your other tax liabilities within the prescribed time. The department

may make a direct refund of overpaid taxes to the taxpayer without requiring the taxpayer to file a refund claim. The department does not have to pay interest on credits or refunds if it applies the amount to a tax interception program, to an estimated payment, or to offset prior liabilities of the taxpayer.

**Awarding of Costs and Fees:**

If you prevail in an administrative or court proceeding brought by you or against you after July 1, 2003, under the Tax Administration Act, you will receive a judgment or a settlement for reasonable administrative costs connected to the action.

**Penalty:**

The department may not assess penalty against you if you fail to pay tax when due because of a mistake of law made in good faith and on reasonable grounds. If the Secretary determines that it is unfair to hold a spouse or former spouse liable for payment of unpaid taxes, the Secretary may decline to take action against the spouse or former spouse of the person who actually owes the tax. In extreme cases of delinquency under Sec. 7-1-53 the department may enjoin a taxpayer from continuing in business after a hearing and until the delinquency is cleared.

***Reminder:  
Write your correct social security number (SSN)  
on ALL forms, schedules,  
payments and correspondence.***

**YOU CAN  
ELECTRONICALLY  
FILE AND PAY  
THROUGH THE INTERNET.**

**INTERNET SERVICES**

- **ELECTRONIC FILING**
- **ELECTRONIC CHECK**
- **TAX PAYMENTS USING VISA, MASTERCARD, AMERICAN EXPRESS, or DISCOVER CARDS\***
- **ASK A QUESTION**
- **TAP Your TAXPAYER ACCESS POINT**  
Find the status of your refund,  
Manage your tax account history, or  
Register your business.

Visit the Department website at

**[www.tax.newmexico.gov/Online-Services/Pages/Home.aspx](http://www.tax.newmexico.gov/Online-Services/Pages/Home.aspx)**

**\* 2.40% convenience fee added for credit card payments**



# 2013 Tax Rate Table

## Based on Taxable Income

Example: Mr. and Mrs. Brown are filing a joint return. Their **New Mexico Taxable Income** on line 17 of the Form PIT-1 is \$25,325. First they find the \$25,300-25,400 income line. Next they find the column for **Married filing jointly** and read down the column. The amount shown where the income line and filing status column meet is \$834. This is the tax amount they must write on line 18 of the Form PIT-1.

More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household
<b>Your tax is:</b>					
25,200	25,300	958	829	1,033	829
25,300	25,400	963	834	1,038	834
25,400	25,500	968	839	1,043	839
25,500	25,600	972	844	1,048	844

If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:			
More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household
		<b>Your tax is:</b>						<b>Your tax is:</b>						<b>Your tax is:</b>			
0	60	0	0	0	0	<b>4,000</b>				<b>8,000</b>							
60	100	1	1	1	1	4,000	4,100	69	69	70	69	8,000	8,100	175	138	198	138
100	200	3	3	3	3	4,100	4,200	71	71	73	71	8,100	8,200	178	141	203	141
200	300	4	4	4	4	4,200	4,300	72	72	76	72	8,200	8,300	182	144	208	144
300	400	6	6	6	6	4,300	4,400	74	74	79	74	8,300	8,400	185	147	212	147
400	500	8	8	8	8	4,400	4,500	76	76	82	76	8,400	8,500	188	150	217	150
500	600	9	9	9	9	4,500	4,600	77	77	86	77	8,500	8,600	191	154	222	154
600	700	11	11	11	11	4,600	4,700	79	79	89	79	8,600	8,700	194	157	227	157
700	800	13	13	13	13	4,700	4,800	81	81	92	81	8,700	8,800	198	160	231	160
800	900	14	14	14	14	4,800	4,900	82	82	95	82	8,800	8,900	201	163	236	163
900	1,000	16	16	16	16	4,900	5,000	84	84	98	84	8,900	9,000	204	166	241	166
		<b>1,000</b>						<b>5,000</b>						<b>9,000</b>			
1,000	1,100	18	18	18	18	5,000	5,100	86	86	102	86	9,000	9,100	207	170	245	170
1,100	1,200	20	20	20	20	5,100	5,200	88	88	105	88	9,100	9,200	210	173	250	173
1,200	1,300	21	21	21	21	5,200	5,300	89	89	108	89	9,200	9,300	214	176	255	176
1,300	1,400	23	23	23	23	5,300	5,400	91	91	111	91	9,300	9,400	217	179	259	179
1,400	1,500	25	25	25	25	5,400	5,500	93	93	114	93	9,400	9,500	220	182	264	182
1,500	1,600	26	26	26	26	5,500	5,600	95	94	118	94	9,500	9,600	223	186	269	186
1,600	1,700	28	28	28	28	5,600	5,700	98	96	121	96	9,600	9,700	226	189	274	189
1,700	1,800	30	30	30	30	5,700	5,800	102	98	124	98	9,700	9,800	230	192	278	192
1,800	1,900	31	31	31	31	5,800	5,900	105	99	127	99	9,800	9,900	233	195	283	195
1,900	2,000	33	33	33	33	5,900	6,000	108	101	130	101	9,900	10,000	236	198	288	198
		<b>2,000</b>						<b>6,000</b>						<b>10,000</b>			
2,000	2,100	35	35	35	35	6,000	6,100	111	103	134	103	10,000	10,100	239	202	292	202
2,100	2,200	37	37	37	37	6,100	6,200	114	105	137	105	10,100	10,200	242	205	297	205
2,200	2,300	38	38	38	38	6,200	6,300	118	106	140	106	10,200	10,300	246	208	302	208
2,300	2,400	40	40	40	40	6,300	6,400	121	108	143	108	10,300	10,400	249	211	306	211
2,400	2,500	42	42	42	42	6,400	6,500	124	110	146	110	10,400	10,500	252	214	311	214
2,500	2,600	43	43	43	43	6,500	6,600	127	111	150	111	10,500	10,600	255	218	316	218
2,600	2,700	45	45	45	45	6,600	6,700	130	113	153	113	10,600	10,700	258	221	321	221
2,700	2,800	47	47	47	47	6,700	6,800	134	115	156	115	10,700	10,800	262	224	325	224
2,800	2,900	48	48	48	48	6,800	6,900	137	116	159	116	10,800	10,900	265	227	330	227
2,900	3,000	50	50	50	50	6,900	7,000	140	118	162	118	10,900	11,000	268	230	335	230
		<b>3,000</b>						<b>7,000</b>						<b>11,000</b>			
3,000	3,100	52	52	52	52	7,000	7,100	143	120	166	120	11,000	11,100	272	234	339	234
3,100	3,200	54	54	54	54	7,100	7,200	146	122	169	122	11,100	11,200	277	237	344	237
3,200	3,300	55	55	55	55	7,200	7,300	150	123	172	123	11,200	11,300	281	240	349	240
3,300	3,400	57	57	57	57	7,300	7,400	153	125	175	125	11,300	11,400	286	243	353	243
3,400	3,500	59	59	59	59	7,400	7,500	156	127	178	127	11,400	11,500	291	246	358	246
3,500	3,600	60	60	60	60	7,500	7,600	159	128	182	128	11,500	11,600	295	250	363	250
3,600	3,700	62	62	62	62	7,600	7,700	162	130	185	130	11,600	11,700	300	253	368	253
3,700	3,800	64	64	64	64	7,700	7,800	166	132	188	132	11,700	11,800	305	256	372	256
3,800	3,900	65	65	65	65	7,800	7,900	169	133	191	133	11,800	11,900	309	259	377	259
3,900	4,000	67	67	67	67	7,900	8,000	172	135	194	135	11,900	12,000	314	262	382	262

\* This column must also be used by a qualifying widow(er).

If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:			
More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household
		Your tax is:						Your tax is:						Your tax is:			
		<b>12,000</b>						<b>18,000</b>						<b>24,000</b>			
12,000	12,100	319	266	386	266	18,000	18,100	605	488	680	488	24,000	24,100	899	770	974	770
12,100	12,200	324	269	391	269	18,100	18,200	610	493	685	493	24,100	24,200	904	775	979	775
12,200	12,300	328	272	396	272	18,200	18,300	615	498	690	498	24,200	24,300	909	780	984	780
12,300	12,400	333	275	401	275	18,300	18,400	620	502	695	502	24,300	24,400	914	785	989	785
12,400	12,500	338	278	406	278	18,400	18,500	625	507	700	507	24,400	24,500	919	790	994	790
12,500	12,600	342	282	411	282	18,500	18,600	629	512	705	512	24,500	24,600	923	795	999	795
12,600	12,700	347	285	416	285	18,600	18,700	634	517	710	517	24,600	24,700	928	800	1,004	800
12,700	12,800	352	288	421	288	18,700	18,800	639	521	715	521	24,700	24,800	933	805	1,009	805
12,800	12,900	356	291	426	291	18,800	18,900	644	526	720	526	24,800	24,900	938	810	1,014	810
12,900	13,000	361	294	431	294	18,900	19,000	649	531	725	531	24,900	25,000	943	815	1,019	815
		<b>13,000</b>						<b>19,000</b>						<b>25,000</b>			
13,000	13,100	366	298	435	298	19,000	19,100	654	535	729	535	25,000	25,100	948	819	1,023	819
13,100	13,200	371	301	440	301	19,100	19,200	659	540	734	540	25,100	25,200	953	824	1,028	824
13,200	13,300	375	304	445	304	19,200	19,300	664	545	739	545	25,200	25,300	958	829	1,033	829
13,300	13,400	380	307	450	307	19,300	19,400	669	549	744	549	25,300	25,400	963	834	1,038	834
13,400	13,500	385	310	455	310	19,400	19,500	674	554	749	554	25,400	25,500	968	839	1,043	839
13,500	13,600	389	314	460	314	19,500	19,600	678	559	754	559	25,500	25,600	972	844	1,048	844
13,600	13,700	394	317	465	317	19,600	19,700	683	564	759	564	25,600	25,700	977	849	1,053	849
13,700	13,800	399	320	470	320	19,700	19,800	688	568	764	568	25,700	25,800	982	854	1,058	854
13,800	13,900	403	323	475	323	19,800	19,900	693	573	769	573	25,800	25,900	987	859	1,063	859
13,900	14,000	408	326	480	326	19,900	20,000	698	578	774	578	25,900	26,000	992	864	1,068	864
		<b>14,000</b>						<b>20,000</b>						<b>26,000</b>			
14,000	14,100	413	330	484	330	20,000	20,100	703	582	778	582	26,000	26,100	997	868	1,072	868
14,100	14,200	418	333	489	333	20,100	20,200	708	587	783	587	26,100	26,200	1,002	873	1,077	873
14,200	14,300	422	336	494	336	20,200	20,300	713	592	788	592	26,200	26,300	1,007	878	1,082	878
14,300	14,400	427	339	499	339	20,300	20,400	718	596	793	596	26,300	26,400	1,012	883	1,087	883
14,400	14,500	432	342	504	342	20,400	20,500	723	601	798	601	26,400	26,500	1,017	888	1,092	888
14,500	14,600	436	346	509	346	20,500	20,600	727	606	803	606	26,500	26,600	1,021	893	1,097	893
14,600	14,700	441	349	514	349	20,600	20,700	732	611	808	611	26,600	26,700	1,026	898	1,102	898
14,700	14,800	446	352	519	352	20,700	20,800	737	615	813	615	26,700	26,800	1,031	903	1,107	903
14,800	14,900	450	355	524	355	20,800	20,900	742	620	818	620	26,800	26,900	1,036	908	1,112	908
14,900	15,000	455	358	529	358	20,900	21,000	747	625	823	625	26,900	27,000	1,041	913	1,117	913
		<b>15,000</b>						<b>21,000</b>						<b>27,000</b>			
15,000	15,100	460	362	533	362	21,000	21,100	752	629	827	629	27,000	27,100	1,046	917	1,121	917
15,100	15,200	465	365	538	365	21,100	21,200	757	634	832	634	27,100	27,200	1,051	922	1,126	922
15,200	15,300	469	368	543	368	21,200	21,300	762	639	837	639	27,200	27,300	1,056	927	1,131	927
15,300	15,400	474	371	548	371	21,300	21,400	767	643	842	643	27,300	27,400	1,061	932	1,136	932
15,400	15,500	479	374	553	374	21,400	21,500	772	648	847	648	27,400	27,500	1,066	937	1,141	937
15,500	15,600	483	378	558	378	21,500	21,600	776	653	852	653	27,500	27,600	1,070	942	1,146	942
15,600	15,700	488	381	563	381	21,600	21,700	781	658	857	658	27,600	27,700	1,075	947	1,151	947
15,700	15,800	493	384	568	384	21,700	21,800	786	662	862	662	27,700	27,800	1,080	952	1,156	952
15,800	15,900	497	387	573	387	21,800	21,900	791	667	867	667	27,800	27,900	1,085	957	1,161	957
15,900	16,000	502	390	578	390	21,900	22,000	796	672	872	672	27,900	28,000	1,090	962	1,166	962
		<b>16,000</b>						<b>22,000</b>						<b>28,000</b>			
16,000	16,100	507	394	582	394	22,000	22,100	801	676	876	676	28,000	28,100	1,095	966	1,170	966
16,100	16,200	512	399	587	399	22,100	22,200	806	681	881	681	28,100	28,200	1,100	971	1,175	971
16,200	16,300	517	404	592	404	22,200	22,300	811	686	886	686	28,200	28,300	1,105	976	1,180	976
16,300	16,400	522	408	597	408	22,300	22,400	816	690	891	690	28,300	28,400	1,110	981	1,185	981
16,400	16,500	527	413	602	413	22,400	22,500	821	695	896	695	28,400	28,500	1,115	986	1,190	986
16,500	16,600	531	418	607	418	22,500	22,600	825	700	901	700	28,500	28,600	1,119	991	1,195	991
16,600	16,700	536	423	612	423	22,600	22,700	830	705	906	705	28,600	28,700	1,124	996	1,200	996
16,700	16,800	541	427	617	427	22,700	22,800	835	709	911	709	28,700	28,800	1,129	1,001	1,205	1,001
16,800	16,900	546	432	622	432	22,800	22,900	840	714	916	714	28,800	28,900	1,134	1,006	1,210	1,006
16,900	17,000	551	437	627	437	22,900	23,000	845	719	921	719	28,900	29,000	1,139	1,011	1,215	1,011
		<b>17,000</b>						<b>23,000</b>						<b>29,000</b>			
17,000	17,100	556	441	631	441	23,000	23,100	850	723	925	723	29,000	29,100	1,144	1,015	1,219	1,015
17,100	17,200	561	446	636	446	23,100	23,200	855	728	930	728	29,100	29,200	1,149	1,020	1,224	1,020
17,200	17,300	566	451	641	451	23,200	23,300	860	733	935	733	29,200	29,300	1,154	1,025	1,229	1,025
17,300	17,400	571	455	646	455	23,300	23,400	865	737	940	737	29,300	29,400	1,159	1,030	1,234	1,030
17,400	17,500	576	460	651	460	23,400	23,500	870	742	945	742	29,400	29,500	1,164	1,035	1,239	1,035
17,500	17,600	580	465	656	465	23,500	23,600	874	747	950	747	29,500	29,600	1,168	1,040	1,244	1,040
17,600	17,700	585	470	661	470	23,600	23,700	879	752	955	752	29,600	29,700	1,173	1,045	1,249	1,045
17,700	17,800	590	474	666	474	23,700	23,800	884	756	960	756	29,700	29,800	1,178	1,050	1,254	1,050
17,800	17,900	595	479	671	479	23,800	23,900	889	761	965	761	29,800	29,900	1,183	1,055	1,259	1,055
17,900	18,000	600	484	676	484	23,900	24,000	894	766	970	766	29,900	30,000	1,188	1,060	1,264	1,060

\* This column must also be used by a qualifying widow(er).

If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:			
More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household
		Your tax is:						Your tax is:						Your tax is:			
		<b>30,000</b>						<b>36,000</b>						<b>42,000</b>			
30,000	30,100	1,193	1,064	1,268	1,064	36,000	36,100	1,487	1,358	1,562	1,358	42,000	42,100	1,781	1,652	1,856	1,652
30,100	30,200	1,198	1,069	1,273	1,069	36,100	36,200	1,492	1,363	1,567	1,363	42,100	42,200	1,786	1,657	1,861	1,657
30,200	30,300	1,203	1,074	1,278	1,074	36,200	36,300	1,497	1,368	1,572	1,368	42,200	42,300	1,791	1,662	1,866	1,662
30,300	30,400	1,208	1,079	1,283	1,079	36,300	36,400	1,502	1,373	1,577	1,373	42,300	42,400	1,796	1,667	1,871	1,667
30,400	30,500	1,213	1,084	1,288	1,084	36,400	36,500	1,507	1,378	1,582	1,378	42,400	42,500	1,801	1,672	1,876	1,672
30,500	30,600	1,217	1,089	1,293	1,089	36,500	36,600	1,511	1,383	1,587	1,383	42,500	42,600	1,805	1,677	1,881	1,677
30,600	30,700	1,222	1,094	1,298	1,094	36,600	36,700	1,516	1,388	1,592	1,388	42,600	42,700	1,810	1,682	1,886	1,682
30,700	30,800	1,227	1,099	1,303	1,099	36,700	36,800	1,521	1,393	1,597	1,393	42,700	42,800	1,815	1,687	1,891	1,687
30,800	30,900	1,232	1,104	1,308	1,104	36,800	36,900	1,526	1,398	1,602	1,398	42,800	42,900	1,820	1,692	1,896	1,692
30,900	31,000	1,237	1,109	1,313	1,109	36,900	37,000	1,531	1,403	1,607	1,403	42,900	43,000	1,825	1,697	1,901	1,697
		<b>31,000</b>						<b>37,000</b>						<b>43,000</b>			
31,000	31,100	1,242	1,113	1,317	1,113	37,000	37,100	1,536	1,407	1,611	1,407	43,000	43,100	1,830	1,701	1,905	1,701
31,100	31,200	1,247	1,118	1,322	1,118	37,100	37,200	1,541	1,412	1,616	1,412	43,100	43,200	1,835	1,706	1,910	1,706
31,200	31,300	1,252	1,123	1,327	1,123	37,200	37,300	1,546	1,417	1,621	1,417	43,200	43,300	1,840	1,711	1,915	1,711
31,300	31,400	1,257	1,128	1,332	1,128	37,300	37,400	1,551	1,422	1,626	1,422	43,300	43,400	1,845	1,716	1,920	1,716
31,400	31,500	1,262	1,133	1,337	1,133	37,400	37,500	1,556	1,427	1,631	1,427	43,400	43,500	1,850	1,721	1,925	1,721
31,500	31,600	1,266	1,138	1,342	1,138	37,500	37,600	1,560	1,432	1,636	1,432	43,500	43,600	1,854	1,726	1,930	1,726
31,600	31,700	1,271	1,143	1,347	1,143	37,600	37,700	1,565	1,437	1,641	1,437	43,600	43,700	1,859	1,731	1,935	1,731
31,700	31,800	1,276	1,148	1,352	1,148	37,700	37,800	1,570	1,442	1,646	1,442	43,700	43,800	1,864	1,736	1,940	1,736
31,800	31,900	1,281	1,153	1,357	1,153	37,800	37,900	1,575	1,447	1,651	1,447	43,800	43,900	1,869	1,741	1,945	1,741
31,900	32,000	1,286	1,158	1,362	1,158	37,900	38,000	1,580	1,452	1,656	1,452	43,900	44,000	1,874	1,746	1,950	1,746
		<b>32,000</b>						<b>38,000</b>						<b>44,000</b>			
32,000	32,100	1,291	1,162	1,366	1,162	38,000	38,100	1,585	1,456	1,660	1,456	44,000	44,100	1,879	1,750	1,954	1,750
32,100	32,200	1,296	1,167	1,371	1,167	38,100	38,200	1,590	1,461	1,665	1,461	44,100	44,200	1,884	1,755	1,959	1,755
32,200	32,300	1,301	1,172	1,376	1,172	38,200	38,300	1,595	1,466	1,670	1,466	44,200	44,300	1,889	1,760	1,964	1,760
32,300	32,400	1,306	1,177	1,381	1,177	38,300	38,400	1,600	1,471	1,675	1,471	44,300	44,400	1,894	1,765	1,969	1,765
32,400	32,500	1,311	1,182	1,386	1,182	38,400	38,500	1,605	1,476	1,680	1,476	44,400	44,500	1,899	1,770	1,974	1,770
32,500	32,600	1,315	1,187	1,391	1,187	38,500	38,600	1,609	1,481	1,685	1,481	44,500	44,600	1,903	1,775	1,979	1,775
32,600	32,700	1,320	1,192	1,396	1,192	38,600	38,700	1,614	1,486	1,690	1,486	44,600	44,700	1,908	1,780	1,984	1,780
32,700	32,800	1,325	1,197	1,401	1,197	38,700	38,800	1,619	1,491	1,695	1,491	44,700	44,800	1,913	1,785	1,989	1,785
32,800	32,900	1,330	1,202	1,406	1,202	38,800	38,900	1,624	1,496	1,700	1,496	44,800	44,900	1,918	1,790	1,994	1,790
32,900	33,000	1,335	1,207	1,411	1,207	38,900	39,000	1,629	1,501	1,705	1,501	44,900	45,000	1,923	1,795	1,999	1,795
		<b>33,000</b>						<b>39,000</b>						<b>45,000</b>			
33,000	33,100	1,340	1,211	1,415	1,211	39,000	39,100	1,634	1,505	1,709	1,505	45,000	45,100	1,928	1,799	2,003	1,799
33,100	33,200	1,345	1,216	1,420	1,216	39,100	39,200	1,639	1,510	1,714	1,510	45,100	45,200	1,933	1,804	2,008	1,804
33,200	33,300	1,350	1,221	1,425	1,221	39,200	39,300	1,644	1,515	1,719	1,515	45,200	45,300	1,938	1,809	2,013	1,809
33,300	33,400	1,355	1,226	1,430	1,226	39,300	39,400	1,649	1,520	1,724	1,520	45,300	45,400	1,943	1,814	2,018	1,814
33,400	33,500	1,360	1,231	1,435	1,231	39,400	39,500	1,654	1,525	1,729	1,525	45,400	45,500	1,948	1,819	2,023	1,819
33,500	33,600	1,364	1,236	1,440	1,236	39,500	39,600	1,658	1,530	1,734	1,530	45,500	45,600	1,952	1,824	2,028	1,824
33,600	33,700	1,369	1,241	1,445	1,241	39,600	39,700	1,663	1,535	1,739	1,535	45,600	45,700	1,957	1,829	2,033	1,829
33,700	33,800	1,374	1,246	1,450	1,246	39,700	39,800	1,668	1,540	1,744	1,540	45,700	45,800	1,962	1,834	2,038	1,834
33,800	33,900	1,379	1,251	1,455	1,251	39,800	39,900	1,673	1,545	1,749	1,545	45,800	45,900	1,967	1,839	2,043	1,839
33,900	34,000	1,384	1,256	1,460	1,256	39,900	40,000	1,678	1,550	1,754	1,550	45,900	46,000	1,972	1,844	2,048	1,844
		<b>34,000</b>						<b>40,000</b>						<b>46,000</b>			
34,000	34,100	1,389	1,260	1,464	1,260	40,000	40,100	1,683	1,554	1,758	1,554	46,000	46,100	1,977	1,848	2,052	1,848
34,100	34,200	1,394	1,265	1,469	1,265	40,100	40,200	1,688	1,559	1,763	1,559	46,100	46,200	1,982	1,853	2,057	1,853
34,200	34,300	1,399	1,270	1,474	1,270	40,200	40,300	1,693	1,564	1,768	1,564	46,200	46,300	1,987	1,858	2,062	1,858
34,300	34,400	1,404	1,275	1,479	1,275	40,300	40,400	1,698	1,569	1,773	1,569	46,300	46,400	1,992	1,863	2,067	1,863
34,400	34,500	1,409	1,280	1,484	1,280	40,400	40,500	1,703	1,574	1,778	1,574	46,400	46,500	1,997	1,868	2,072	1,868
34,500	34,600	1,413	1,285	1,489	1,285	40,500	40,600	1,707	1,579	1,783	1,579	46,500	46,600	2,001	1,873	2,077	1,873
34,600	34,700	1,418	1,290	1,494	1,290	40,600	40,700	1,712	1,584	1,788	1,584	46,600	46,700	2,006	1,878	2,082	1,878
34,700	34,800	1,423	1,295	1,499	1,295	40,700	40,800	1,717	1,589	1,793	1,589	46,700	46,800	2,011	1,883	2,087	1,883
34,800	34,900	1,428	1,300	1,504	1,300	40,800	40,900	1,722	1,594	1,798	1,594	46,800	46,900	2,016	1,888	2,092	1,888
34,900	35,000	1,433	1,305	1,509	1,305	40,900	41,000	1,727	1,599	1,803	1,599	46,900	47,000	2,021	1,893	2,097	1,893
		<b>35,000</b>						<b>41,000</b>						<b>47,000</b>			
35,000	35,100	1,438	1,309	1,513	1,309	41,000	41,100	1,732	1,603	1,807	1,603	47,000	47,100	2,026	1,897	2,101	1,897
35,100	35,200	1,443	1,314	1,518	1,314	41,100	41,200	1,737	1,608	1,812	1,608	47,100	47,200	2,031	1,902	2,106	1,902
35,200	35,300	1,448	1,319	1,523	1,319	41,200	41,300	1,742	1,613	1,817	1,613	47,200	47,300	2,036	1,907	2,111	1,907
35,300	35,400	1,453	1,324	1,528	1,324	41,300	41,400	1,747	1,618	1,822	1,618	47,300	47,400	2,041	1,912	2,116	1,912
35,400	35,500	1,458	1,329	1,533	1,329	41,400	41,500	1,752	1,623	1,827	1,623	47,400	47,500	2,046	1,917	2,121	1,917
35,500	35,600	1,462	1,334	1,538	1,334	41,500	41,600	1,756	1,628	1,832	1,628	47,500	47,600	2,050	1,922	2,126	1,922
35,600	35,700	1,467	1,339	1,543	1,339	41,600	41,700	1,761	1,633	1,837	1,633	47,600	47,700	2,055	1,927	2,131	1,927
35,700	35,800	1,472	1,344	1,548	1,344	41,700	41,800	1,766	1,638	1,842	1,638	47,700	47,800	2,060	1,932	2,136	1,932
35,800	35,900	1,477	1,349	1,553	1,349	41,800	4										

If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:			
More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household
		Your tax is:						Your tax is:						Your tax is:			
<b>48,000</b>						<b>54,000</b>						<b>60,000</b>					
48,000	48,100	2,075	1,946	2,150	1,946	54,000	54,100	2,369	2,240	2,444	2,240	60,000	60,100	2,663	2,534	2,738	2,534
48,100	48,200	2,080	1,951	2,155	1,951	54,100	54,200	2,374	2,245	2,449	2,245	60,100	60,200	2,668	2,539	2,743	2,539
48,200	48,300	2,085	1,956	2,160	1,956	54,200	54,300	2,379	2,250	2,454	2,250	60,200	60,300	2,673	2,544	2,748	2,544
48,300	48,400	2,090	1,961	2,165	1,961	54,300	54,400	2,384	2,255	2,459	2,255	60,300	60,400	2,678	2,549	2,753	2,549
48,400	48,500	2,095	1,966	2,170	1,966	54,400	54,500	2,389	2,260	2,464	2,260	60,400	60,500	2,683	2,554	2,758	2,554
48,500	48,600	2,099	1,971	2,175	1,971	54,500	54,600	2,393	2,265	2,469	2,265	60,500	60,600	2,687	2,559	2,763	2,559
48,600	48,700	2,104	1,976	2,180	1,976	54,600	54,700	2,398	2,270	2,474	2,270	60,600	60,700	2,692	2,564	2,768	2,564
48,700	48,800	2,109	1,981	2,185	1,981	54,700	54,800	2,403	2,275	2,479	2,275	60,700	60,800	2,697	2,569	2,773	2,569
48,800	48,900	2,114	1,986	2,190	1,986	54,800	54,900	2,408	2,280	2,484	2,280	60,800	60,900	2,702	2,574	2,778	2,574
48,900	49,000	2,119	1,991	2,195	1,991	54,900	55,000	2,413	2,285	2,489	2,285	60,900	61,000	2,707	2,579	2,783	2,579
<b>49,000</b>						<b>55,000</b>						<b>61,000</b>					
49,000	49,100	2,124	1,995	2,199	1,995	55,000	55,100	2,418	2,289	2,493	2,289	61,000	61,100	2,712	2,583	2,787	2,583
49,100	49,200	2,129	2,000	2,204	2,000	55,100	55,200	2,423	2,294	2,498	2,294	61,100	61,200	2,717	2,588	2,792	2,588
49,200	49,300	2,134	2,005	2,209	2,005	55,200	55,300	2,428	2,299	2,503	2,299	61,200	61,300	2,722	2,593	2,797	2,593
49,300	49,400	2,139	2,010	2,214	2,010	55,300	55,400	2,433	2,304	2,508	2,304	61,300	61,400	2,727	2,598	2,802	2,598
49,400	49,500	2,144	2,015	2,219	2,015	55,400	55,500	2,438	2,309	2,513	2,309	61,400	61,500	2,732	2,603	2,807	2,603
49,500	49,600	2,148	2,020	2,224	2,020	55,500	55,600	2,442	2,314	2,518	2,314	61,500	61,600	2,736	2,608	2,812	2,608
49,600	49,700	2,153	2,025	2,229	2,025	55,600	55,700	2,447	2,319	2,523	2,319	61,600	61,700	2,741	2,613	2,817	2,613
49,700	49,800	2,158	2,030	2,234	2,030	55,700	55,800	2,452	2,324	2,528	2,324	61,700	61,800	2,746	2,618	2,822	2,618
49,800	49,900	2,163	2,035	2,239	2,035	55,800	55,900	2,457	2,329	2,533	2,329	61,800	61,900	2,751	2,623	2,827	2,623
49,900	50,000	2,168	2,040	2,244	2,040	55,900	56,000	2,462	2,334	2,538	2,334	61,900	62,000	2,756	2,628	2,832	2,628
<b>50,000</b>						<b>56,000</b>						<b>62,000</b>					
50,000	50,100	2,173	2,044	2,248	2,044	56,000	56,100	2,467	2,338	2,542	2,338	62,000	62,100	2,761	2,632	2,836	2,632
50,100	50,200	2,178	2,049	2,253	2,049	56,100	56,200	2,472	2,343	2,547	2,343	62,100	62,200	2,766	2,637	2,841	2,637
50,200	50,300	2,183	2,054	2,258	2,054	56,200	56,300	2,477	2,348	2,552	2,348	62,200	62,300	2,771	2,642	2,846	2,642
50,300	50,400	2,188	2,059	2,263	2,059	56,300	56,400	2,482	2,353	2,557	2,353	62,300	62,400	2,776	2,647	2,851	2,647
50,400	50,500	2,193	2,064	2,268	2,064	56,400	56,500	2,487	2,358	2,562	2,358	62,400	62,500	2,781	2,652	2,856	2,652
50,500	50,600	2,197	2,069	2,273	2,069	56,500	56,600	2,491	2,363	2,567	2,363	62,500	62,600	2,786	2,657	2,861	2,657
50,600	50,700	2,202	2,074	2,278	2,074	56,600	56,700	2,496	2,368	2,572	2,368	62,600	62,700	2,790	2,662	2,866	2,662
50,700	50,800	2,207	2,079	2,283	2,079	56,700	56,800	2,501	2,373	2,577	2,373	62,700	62,800	2,795	2,667	2,871	2,667
50,800	50,900	2,212	2,084	2,288	2,084	56,800	56,900	2,506	2,378	2,582	2,378	62,800	62,900	2,800	2,672	2,876	2,672
50,900	51,000	2,217	2,089	2,293	2,089	56,900	57,000	2,511	2,383	2,587	2,383	62,900	63,000	2,805	2,677	2,881	2,677
<b>51,000</b>						<b>57,000</b>						<b>63,000</b>					
51,000	51,100	2,222	2,093	2,297	2,093	57,000	57,100	2,516	2,387	2,591	2,387	63,000	63,100	2,810	2,681	2,885	2,681
51,100	51,200	2,227	2,098	2,302	2,098	57,100	57,200	2,521	2,392	2,596	2,392	63,100	63,200	2,815	2,686	2,890	2,686
51,200	51,300	2,232	2,103	2,307	2,103	57,200	57,300	2,526	2,397	2,601	2,397	63,200	63,300	2,820	2,691	2,895	2,691
51,300	51,400	2,237	2,108	2,312	2,108	57,300	57,400	2,531	2,402	2,606	2,402	63,300	63,400	2,825	2,696	2,900	2,696
51,400	51,500	2,242	2,113	2,317	2,113	57,400	57,500	2,536	2,407	2,611	2,407	63,400	63,500	2,830	2,701	2,905	2,701
51,500	51,600	2,246	2,118	2,322	2,118	57,500	57,600	2,540	2,412	2,616	2,412	63,500	63,600	2,834	2,706	2,910	2,706
51,600	51,700	2,251	2,123	2,327	2,123	57,600	57,700	2,545	2,417	2,621	2,417	63,600	63,700	2,839	2,711	2,915	2,711
51,700	51,800	2,256	2,128	2,332	2,128	57,700	57,800	2,550	2,422	2,626	2,422	63,700	63,800	2,844	2,716	2,920	2,716
51,800	51,900	2,261	2,133	2,337	2,133	57,800	57,900	2,555	2,427	2,631	2,427	63,800	63,900	2,849	2,721	2,925	2,721
51,900	52,000	2,266	2,138	2,342	2,138	57,900	58,000	2,560	2,432	2,636	2,432	63,900	64,000	2,854	2,726	2,930	2,726
<b>52,000</b>						<b>58,000</b>						<b>64,000</b>					
52,000	52,100	2,271	2,142	2,346	2,142	58,000	58,100	2,565	2,436	2,640	2,436	64,000	64,100	2,859	2,730	2,934	2,730
52,100	52,200	2,276	2,147	2,351	2,147	58,100	58,200	2,570	2,441	2,645	2,441	64,100	64,200	2,864	2,735	2,939	2,735
52,200	52,300	2,281	2,152	2,356	2,152	58,200	58,300	2,575	2,446	2,650	2,446	64,200	64,300	2,869	2,740	2,944	2,740
52,300	52,400	2,286	2,157	2,361	2,157	58,300	58,400	2,580	2,451	2,655	2,451	64,300	64,400	2,874	2,745	2,949	2,745
52,400	52,500	2,291	2,162	2,366	2,162	58,400	58,500	2,585	2,456	2,660	2,456	64,400	64,500	2,879	2,750	2,954	2,750
52,500	52,600	2,295	2,167	2,371	2,167	58,500	58,600	2,589	2,461	2,665	2,461	64,500	64,600	2,883	2,755	2,959	2,755
52,600	52,700	2,300	2,172	2,376	2,172	58,600	58,700	2,594	2,466	2,670	2,466	64,600	64,700	2,888	2,760	2,964	2,760
52,700	52,800	2,305	2,177	2,381	2,177	58,700	58,800	2,599	2,471	2,675	2,471	64,700	64,800	2,893	2,765	2,969	2,765
52,800	52,900	2,310	2,182	2,386	2,182	58,800	58,900	2,604	2,476	2,680	2,476	64,800	64,900	2,898	2,770	2,974	2,770
52,900	53,000	2,315	2,187	2,391	2,187	58,900	59,000	2,609	2,481	2,685	2,481	64,900	65,000	2,903	2,775	2,979	2,775
<b>53,000</b>						<b>59,000</b>						<b>65,000</b>					
53,000	53,100	2,320	2,191	2,395	2,191	59,000	59,100	2,614	2,485	2,689	2,485	65,000	65,100	2,908	2,779	2,983	2,779
53,100	53,200	2,325	2,196	2,400	2,196	59,100	59,200	2,619	2,490	2,694	2,490	65,100	65,200	2,913	2,784	2,988	2,784
53,200	53,300	2,330	2,201	2,405	2,201	59,200	59,300	2,624	2,495	2,699	2,495	65,200	65,300	2,918	2,789	2,993	2,789
53,300	53,400	2,335	2,206	2,410	2,206	59,300	59,400	2,629	2,500	2,704	2,500	65,300	65,400	2,923	2,794	2,998	2,794
53,400	53,500	2,340	2,211	2,415	2,211	59,400	59,500	2,634	2,505	2,709	2,505	65,400	65,500	2,928	2,799	3,003	2,799
53,500	53,600	2,344	2,216	2,420	2,216	59,500	59,600	2,638	2,510	2,714	2,510	65,500	65,600	2,932	2,804	3,008	2,804
53,600	53,700	2,349	2,221	2,425	2,221	59,600	59,700	2,643	2,515	2,719	2,515	65,600	65,700	2,937	2,809	3,013	2,809
53,700	53,800	2,354	2,226	2,430	2,226	59,700	59,800	2,648	2,520	2,724	2,520	65,700	65,800	2,942	2,814	3,018	2,814
53,800	53,900	2,359	2,231	2,435	2,231	59,800	5										

If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:			
More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household
Your tax is:						Your tax is:						Your tax is:					
<b>66,000</b>						<b>72,000</b>						<b>78,000</b>					
66,000	66,100	2,957	2,828	3,032	2,828	72,000	72,100	3,251	3,122	3,326	3,122	78,000	78,100	3,545	3,416	3,620	3,416
66,100	66,200	2,962	2,833	3,037	2,833	72,100	72,200	3,256	3,127	3,331	3,127	78,100	78,200	3,550	3,421	3,625	3,421
66,200	66,300	2,967	2,838	3,042	2,838	72,200	72,300	3,261	3,132	3,336	3,132	78,200	78,300	3,555	3,426	3,630	3,426
66,300	66,400	2,972	2,843	3,047	2,843	72,300	72,400	3,266	3,137	3,341	3,137	78,300	78,400	3,560	3,431	3,635	3,431
66,400	66,500	2,977	2,848	3,052	2,848	72,400	72,500	3,271	3,142	3,346	3,142	78,400	78,500	3,565	3,436	3,640	3,436
66,500	66,600	2,981	2,853	3,057	2,853	72,500	72,600	3,275	3,147	3,351	3,147	78,500	78,600	3,569	3,441	3,645	3,441
66,600	66,700	2,986	2,858	3,062	2,858	72,600	72,700	3,280	3,152	3,356	3,152	78,600	78,700	3,574	3,446	3,650	3,446
66,700	66,800	2,991	2,863	3,067	2,863	72,700	72,800	3,285	3,157	3,361	3,157	78,700	78,800	3,579	3,451	3,655	3,451
66,800	66,900	2,996	2,868	3,072	2,868	72,800	72,900	3,290	3,162	3,366	3,162	78,800	78,900	3,584	3,456	3,660	3,456
66,900	67,000	3,001	2,873	3,077	2,873	72,900	73,000	3,295	3,167	3,371	3,167	78,900	79,000	3,589	3,461	3,665	3,461
<b>67,000</b>						<b>73,000</b>						<b>79,000</b>					
67,000	67,100	3,006	2,877	3,081	2,877	73,000	73,100	3,300	3,171	3,375	3,171	79,000	79,100	3,594	3,465	3,669	3,465
67,100	67,200	3,011	2,882	3,086	2,882	73,100	73,200	3,305	3,176	3,380	3,176	79,100	79,200	3,599	3,470	3,674	3,470
67,200	67,300	3,016	2,887	3,091	2,887	73,200	73,300	3,310	3,181	3,385	3,181	79,200	79,300	3,604	3,475	3,679	3,475
67,300	67,400	3,021	2,892	3,096	2,892	73,300	73,400	3,315	3,186	3,390	3,186	79,300	79,400	3,609	3,480	3,684	3,480
67,400	67,500	3,026	2,897	3,101	2,897	73,400	73,500	3,320	3,191	3,395	3,191	79,400	79,500	3,614	3,485	3,689	3,485
67,500	67,600	3,030	2,902	3,106	2,902	73,500	73,600	3,324	3,196	3,400	3,196	79,500	79,600	3,618	3,490	3,694	3,490
67,600	67,700	3,035	2,907	3,111	2,907	73,600	73,700	3,329	3,201	3,405	3,201	79,600	79,700	3,623	3,495	3,699	3,495
67,700	67,800	3,040	2,912	3,116	2,912	73,700	73,800	3,334	3,206	3,410	3,206	79,700	79,800	3,628	3,500	3,704	3,500
67,800	67,900	3,045	2,917	3,121	2,917	73,800	73,900	3,339	3,211	3,415	3,211	79,800	79,900	3,633	3,505	3,709	3,505
67,900	68,000	3,050	2,922	3,126	2,922	73,900	74,000	3,344	3,216	3,420	3,216	79,900	80,000	3,638	3,510	3,714	3,510
<b>68,000</b>						<b>74,000</b>						<b>80,000</b>					
68,000	68,100	3,055	2,926	3,130	2,926	74,000	74,100	3,349	3,220	3,424	3,220	80,000	80,100	3,643	3,514	3,718	3,514
68,100	68,200	3,060	2,931	3,135	2,931	74,100	74,200	3,354	3,225	3,429	3,225	80,100	80,200	3,648	3,519	3,723	3,519
68,200	68,300	3,065	2,936	3,140	2,936	74,200	74,300	3,359	3,230	3,434	3,230	80,200	80,300	3,653	3,524	3,728	3,524
68,300	68,400	3,070	2,941	3,145	2,941	74,300	74,400	3,364	3,235	3,439	3,235	80,300	80,400	3,658	3,529	3,733	3,529
68,400	68,500	3,075	2,946	3,150	2,946	74,400	74,500	3,369	3,240	3,444	3,240	80,400	80,500	3,663	3,534	3,738	3,534
68,500	68,600	3,079	2,951	3,155	2,951	74,500	74,600	3,373	3,245	3,449	3,245	80,500	80,600	3,667	3,539	3,743	3,539
68,600	68,700	3,084	2,956	3,160	2,956	74,600	74,700	3,378	3,250	3,454	3,250	80,600	80,700	3,672	3,544	3,748	3,544
68,700	68,800	3,089	2,961	3,165	2,961	74,700	74,800	3,383	3,255	3,459	3,255	80,700	80,800	3,677	3,549	3,753	3,549
68,800	68,900	3,094	2,966	3,170	2,966	74,800	74,900	3,388	3,260	3,464	3,260	80,800	80,900	3,682	3,554	3,758	3,554
68,900	69,000	3,099	2,971	3,175	2,971	74,900	75,000	3,393	3,265	3,469	3,265	80,900	81,000	3,687	3,559	3,763	3,559
<b>69,000</b>						<b>75,000</b>						<b>81,000</b>					
69,000	69,100	3,104	2,975	3,179	2,975	75,000	75,100	3,398	3,269	3,473	3,269	81,000	81,100	3,692	3,563	3,767	3,563
69,100	69,200	3,109	2,980	3,184	2,980	75,100	75,200	3,403	3,274	3,478	3,274	81,100	81,200	3,697	3,568	3,772	3,568
69,200	69,300	3,114	2,985	3,189	2,985	75,200	75,300	3,408	3,279	3,483	3,279	81,200	81,300	3,702	3,573	3,777	3,573
69,300	69,400	3,119	2,990	3,194	2,990	75,300	75,400	3,413	3,284	3,488	3,284	81,300	81,400	3,707	3,578	3,782	3,578
69,400	69,500	3,124	2,995	3,199	2,995	75,400	75,500	3,418	3,289	3,493	3,289	81,400	81,500	3,712	3,583	3,787	3,583
69,500	69,600	3,128	3,000	3,204	3,000	75,500	75,600	3,422	3,294	3,498	3,294	81,500	81,600	3,716	3,588	3,792	3,588
69,600	69,700	3,133	3,005	3,209	3,005	75,600	75,700	3,427	3,299	3,503	3,299	81,600	81,700	3,721	3,593	3,797	3,593
69,700	69,800	3,138	3,010	3,214	3,010	75,700	75,800	3,432	3,304	3,508	3,304	81,700	81,800	3,726	3,598	3,802	3,598
69,800	69,900	3,143	3,015	3,219	3,015	75,800	75,900	3,437	3,309	3,513	3,309	81,800	81,900	3,731	3,603	3,807	3,603
69,900	70,000	3,148	3,020	3,224	3,020	75,900	76,000	3,442	3,314	3,518	3,314	81,900	82,000	3,736	3,608	3,812	3,608
<b>70,000</b>						<b>76,000</b>						<b>82,000</b>					
70,000	70,100	3,153	3,024	3,228	3,024	76,000	76,100	3,447	3,318	3,522	3,318	82,000	82,100	3,741	3,612	3,816	3,612
70,100	70,200	3,158	3,029	3,233	3,029	76,100	76,200	3,452	3,323	3,527	3,323	82,100	82,200	3,746	3,617	3,821	3,617
70,200	70,300	3,163	3,034	3,238	3,034	76,200	76,300	3,457	3,328	3,532	3,328	82,200	82,300	3,751	3,622	3,826	3,622
70,300	70,400	3,168	3,039	3,243	3,039	76,300	76,400	3,462	3,333	3,537	3,333	82,300	82,400	3,756	3,627	3,831	3,627
70,400	70,500	3,173	3,044	3,248	3,044	76,400	76,500	3,467	3,338	3,542	3,338	82,400	82,500	3,761	3,632	3,836	3,632
70,500	70,600	3,177	3,049	3,253	3,049	76,500	76,600	3,471	3,343	3,547	3,343	82,500	82,600	3,765	3,637	3,841	3,637
70,600	70,700	3,182	3,054	3,258	3,054	76,600	76,700	3,476	3,348	3,552	3,348	82,600	82,700	3,770	3,642	3,846	3,642
70,700	70,800	3,187	3,059	3,263	3,059	76,700	76,800	3,481	3,353	3,557	3,353	82,700	82,800	3,775	3,647	3,851	3,647
70,800	70,900	3,192	3,064	3,268	3,064	76,800	76,900	3,486	3,358	3,562	3,358	82,800	82,900	3,780	3,652	3,856	3,652
70,900	71,000	3,197	3,069	3,273	3,069	76,900	77,000	3,491	3,363	3,567	3,363	82,900	83,000	3,785	3,657	3,861	3,657
<b>71,000</b>						<b>77,000</b>						<b>83,000</b>					
71,000	71,100	3,202	3,073	3,277	3,073	77,000	77,100	3,496	3,367	3,571	3,367	83,000	83,100	3,790	3,661	3,865	3,661
71,100	71,200	3,207	3,078	3,282	3,078	77,100	77,200	3,501	3,372	3,576	3,372	83,100	83,200	3,795	3,666	3,870	3,666
71,200	71,300	3,212	3,083	3,287	3,083	77,200	77,300	3,506	3,377	3,581	3,377	83,200	83,300	3,800	3,671	3,875	3,671
71,300	71,400	3,217	3,088	3,292	3,088	77,300	77,400	3,511	3,382	3,586	3,382	83,300	83,400	3,805	3,676	3,880	3,676
71,400	71,500	3,222	3,093	3,297	3,093	77,400	77,500	3,516	3,387	3,591	3,387	83,400	83,500	3,810	3,681	3,885	3,681
71,500	71,600	3,226	3,098	3,302	3,098	77,500	77,600	3,520	3,392	3,596	3,392	83,500	83,600	3,814	3,686	3,890	3,686
71,600	71,700	3,231	3,103	3,307	3,103	77,600	77,700	3,525	3,397	3,601	3,397	83,600	83,700	3,819	3,691	3,895	3,691
71,700	71,800	3,236	3,108	3,312	3,108	77,700	77,800	3,530	3,402	3,606	3,402	83,700	83,800	3,824	3,696	3,900	3,696
71,800	71,900	3,241	3,113	3,317	3,113	77,800	77,900	3,535	3,407	3,611	3,407	83,800	83,900	3,829	3,701	3,905	3,701
71,900	72,000	3,246	3,118	3,322	3,118	77,900	78,000	3,540	3,412	3,616	3,412	83,900	84,000	3,834	3,706	3,910	3,706

\* This column must also be used by a qualifying widow(er).

If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:				If line 17 of Form PIT-1 (Taxable Income) is:		And you are:			
More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household	More Than	But Not Over	Single	Married Filing Jointly*	Married Filing Separately	Head of Household
<b>84,000</b>						<b>88,000</b>						<b>92,000</b>					
84,000	84,100	3,839	3,710	3,914	3,710	88,000	88,100	4,035	3,906	4,110	3,906	92,000	92,100	4,231	4,102	4,306	4,102
84,100	84,200	3,844	3,715	3,919	3,715	88,100	88,200	4,040	3,911	4,115	3,911	92,100	92,200	4,236	4,107	4,311	4,107
84,200	84,300	3,849	3,720	3,924	3,720	88,200	88,300	4,045	3,916	4,120	3,916	92,200	92,300	4,241	4,112	4,316	4,112
84,300	84,400	3,854	3,725	3,929	3,725	88,300	88,400	4,050	3,921	4,125	3,921	92,300	92,400	4,246	4,117	4,321	4,117
84,400	84,500	3,859	3,730	3,934	3,730	88,400	88,500	4,055	3,926	4,130	3,926	92,400	92,500	4,251	4,122	4,326	4,122
84,500	84,600	3,863	3,735	3,939	3,735	88,500	88,600	4,059	3,931	4,135	3,931	92,500	92,600	4,255	4,127	4,331	4,127
84,600	84,700	3,868	3,740	3,944	3,740	88,600	88,700	4,064	3,936	4,140	3,936	92,600	92,700	4,260	4,132	4,336	4,132
84,700	84,800	3,873	3,745	3,949	3,745	88,700	88,800	4,069	3,941	4,145	3,941	92,700	92,800	4,265	4,137	4,341	4,137
84,800	84,900	3,878	3,750	3,954	3,750	88,800	88,900	4,074	3,946	4,150	3,946	92,800	92,900	4,270	4,142	4,346	4,142
84,900	85,000	3,883	3,755	3,959	3,755	88,900	89,000	4,079	3,951	4,155	3,951	92,900	93,000	4,275	4,147	4,351	4,147
<b>85,000</b>						<b>89,000</b>						<b>93,000</b>					
85,000	85,100	3,888	3,759	3,963	3,759	89,000	89,100	4,084	3,955	4,159	3,955	93,000	93,100	4,280	4,151	4,355	4,151
85,100	85,200	3,893	3,764	3,968	3,764	89,100	89,200	4,089	3,960	4,164	3,960	93,100	93,200	4,285	4,156	4,360	4,156
85,200	85,300	3,898	3,769	3,973	3,769	89,200	89,300	4,094	3,965	4,169	3,965	93,200	93,300	4,290	4,161	4,365	4,161
85,300	85,400	3,903	3,774	3,978	3,774	89,300	89,400	4,099	3,970	4,174	3,970	93,300	93,400	4,295	4,166	4,370	4,166
85,400	85,500	3,908	3,779	3,983	3,779	89,400	89,500	4,104	3,975	4,179	3,975	93,400	93,500	4,300	4,171	4,375	4,171
85,500	85,600	3,912	3,784	3,988	3,784	89,500	89,600	4,108	3,980	4,184	3,980	93,500	93,600	4,304	4,176	4,380	4,176
85,600	85,700	3,917	3,789	3,993	3,789	89,600	89,700	4,113	3,985	4,189	3,985	93,600	93,700	4,309	4,181	4,385	4,181
85,700	85,800	3,922	3,794	3,998	3,794	89,700	89,800	4,118	3,990	4,194	3,990	93,700	93,800	4,314	4,186	4,390	4,186
85,800	85,900	3,927	3,799	4,003	3,799	89,800	89,900	4,123	3,995	4,199	3,995	93,800	93,900	4,319	4,191	4,395	4,191
85,900	86,000	3,932	3,804	4,008	3,804	89,900	90,000	4,128	4,000	4,204	4,000	93,900	94,000	4,324	4,196	4,400	4,196
<b>86,000</b>						<b>90,000</b>						<b>94,000</b>					
86,000	86,100	3,937	3,808	4,012	3,808	90,000	90,100	4,133	4,004	4,208	4,004	94,000	94,100	4,329	4,200	4,404	4,200
86,100	86,200	3,942	3,813	4,017	3,813	90,100	90,200	4,138	4,009	4,213	4,009	94,100	94,200	4,334	4,205	4,409	4,205
86,200	86,300	3,947	3,818	4,022	3,818	90,200	90,300	4,143	4,014	4,218	4,014	94,200	94,300	4,339	4,210	4,414	4,210
86,300	86,400	3,952	3,823	4,027	3,823	90,300	90,400	4,148	4,019	4,223	4,019	94,300	94,400	4,344	4,215	4,419	4,215
86,400	86,500	3,957	3,828	4,032	3,828	90,400	90,500	4,153	4,024	4,228	4,024	94,400	94,500	4,349	4,220	4,424	4,220
86,500	86,600	3,961	3,833	4,037	3,833	90,500	90,600	4,157	4,029	4,233	4,029	94,500	94,600	4,353	4,225	4,429	4,225
86,600	86,700	3,966	3,838	4,042	3,838	90,600	90,700	4,162	4,034	4,238	4,034	94,600	94,700	4,358	4,230	4,434	4,230
86,700	86,800	3,971	3,843	4,047	3,843	90,700	90,800	4,167	4,039	4,243	4,039	94,700	94,800	4,363	4,235	4,439	4,235
86,800	86,900	3,976	3,848	4,052	3,848	90,800	90,900	4,172	4,044	4,248	4,044	94,800	94,900	4,368	4,240	4,444	4,240
86,900	87,000	3,981	3,853	4,057	3,853	90,900	91,000	4,177	4,049	4,253	4,049	94,900	95,000	4,373	4,245	4,449	4,245
<b>87,000</b>						<b>91,000</b>						<b>95,000</b>					
87,000	87,100	3,986	3,857	4,061	3,857	91,000	91,100	4,182	4,053	4,257	4,053	95,000	95,100	4,378	4,249	4,453	4,249
87,100	87,200	3,991	3,862	4,066	3,862	91,100	91,200	4,187	4,058	4,262	4,058	95,100	95,200	4,383	4,254	4,458	4,254
87,200	87,300	3,996	3,867	4,071	3,867	91,200	91,300	4,192	4,063	4,267	4,063	95,200	95,300	4,388	4,259	4,463	4,259
87,300	87,400	4,001	3,872	4,076	3,872	91,300	91,400	4,197	4,068	4,272	4,068	95,300	95,400	4,393	4,264	4,468	4,264
87,400	87,500	4,006	3,877	4,081	3,877	91,400	91,500	4,202	4,073	4,277	4,073	95,400	95,500	4,398	4,269	4,473	4,269
87,500	87,600	4,010	3,882	4,086	3,882	91,500	91,600	4,206	4,078	4,282	4,078	95,500	95,600	4,402	4,274	4,478	4,274
87,600	87,700	4,015	3,887	4,091	3,887	91,600	91,700	4,211	4,083	4,287	4,083	95,600	95,700	4,407	4,279	4,483	4,279
87,700	87,800	4,020	3,892	4,096	3,892	91,700	91,800	4,216	4,088	4,292	4,088	95,700	95,800	4,412	4,284	4,488	4,284
87,800	87,900	4,025	3,897	4,101	3,897	91,800	91,900	4,221	4,093	4,297	4,093	95,800	95,900	4,417	4,289	4,493	4,289
87,900	88,000	4,030	3,902	4,106	3,902	91,900	92,000	4,226	4,098	4,302	4,098	95,900	96,000	4,422	4,294	4,498	4,294

If line 17 of Form PIT-1 (Taxable Income) is over \$96,000 use the following table to compute your tax.

If you are:	Your Tax is...	plus	of taxable income in excess of:
Single	\$4,422.00	4.9%	\$96,000
Married Filing Jointly	\$4,294.00	4.9%	\$96,000
Married Filing Separately	\$4,498.00	4.9%	\$96,000
Head of Household	\$4,294.00	4.9%	\$96,000

\* This column must also be used by a qualifying widow(er).

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## INSTRUCTIONS FOR 2013 PIT-ADJ, SCHEDULE OF ADDITIONS AND DEDUCTIONS/EXEMPTIONS

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### GENERAL INFORMATION

If you are required to make certain additions to your federal adjusted gross income, or to take certain deductions and exemptions from your federal adjusted gross income to arrive at New Mexico taxable income, use this 2013 Schedule PIT-ADJ.

If any of the additions or any of the deductions or exemptions apply to you, complete this schedule and attach it to your PIT-1 return. If the additions, deductions, or exemptions on this schedule do not apply to you, **DO NOT** complete this schedule and do not attach it to the PIT-1 return.

**NOTE:** Do not add any amounts to Schedule PIT-ADJ that are not listed on this schedule. If an item is not listed, it is not a valid New Mexico addition, exemption, or deduction for this schedule. Do not submit a statement instead of this schedule. The Department does not accept statements instead of the Schedule PIT-ADJ.

### Additions to Federal Adjusted Gross Income

You are required to report the following additions to your federal adjusted gross income with Schedule PIT-ADJ:

- **Line 1.** Interest and dividends from federal tax-exempt bonds.
- **Line 2.** A net operating loss.
- **Line 3.** Contributions refunded when closing or certain contributions rolled out of a New Mexico-approved Section 529 college savings plan account.
- **Line 4.** A charitable deduction claimed on federal Form 1040, Schedule A, for a donation of land to private non-profit or public conservation agencies for conservation purposes from which you were allowed the New Mexico land conservation tax credit.

Each addition is described in detail later in these instructions. To claim any of these additions, you must file Schedule PIT-ADJ.

### Deductions/Exemptions from Federal Adjusted Gross Income

You can claim the following deductions or exemptions to your federal adjusted gross income with Schedule PIT-ADJ:

- **Line 6.** New Mexico tax-exempt interest or dividend income.
- **Line 7.** A New Mexico net operating loss to carry forward.
- **Line 8.** Interest on U.S. government obligations.
- **Line 9.** Railroad retirement income or Railroad Unemployment Insurance Act sick pay not taxable by New Mexico.
- **Line 10.** If you, your spouse, or both are members of an Indian nation, tribe, or pueblo, income wholly earned on the lands of the reservation or pueblo of membership while the member was domiciled on that land, reservation, or pueblo.
- **Line 11.** If you, your spouse, or both are age 100 or over, and not dependents of another taxpayer.
- **Line 12.** If you, your spouse, or both are age 65 or over or blind, and adjusted gross income is not over \$51,000 for a joint return; \$28,500 for a single taxpayer; or \$25,500 for married taxpayers filing separately.
- **Line 13.** Federally taxable contributions to or distributions from a New Mexico Medical Care Savings Account.
- **Line 14.** Contributions to a New Mexico-approved Section 529 college savings plan.
- **Line 15.** Net capital gains.
- **Line 16.** Military pay, wages, or salary from active duty service.
- **Line 17.** If you, your spouse, or both are age 65 or over, unreimbursed or uncompensated medical care expenses of \$28,000 or more for yourself, your spouse, or dependents.
- **Line 18.** Expenses related to donating human organs to another person.
- **Line 19.** Reimbursement from the New Mexico National Guard

Service Member's Life Insurance Reimbursement Fund.

- **Line 20.** Taxable refunds, credits, or offsets of state and local income taxes included from your federal adjusted gross income (Form 1040, line 10).

Each deduction and exemption is described in detail later in these instructions. To claim any of these deductions or exemptions, you must file Schedule PIT-ADJ.

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### PREPARING YOUR SCHEDULE PIT-ADJ

Follow these steps to prepare and complete the Schedule PIT-ADJ.

1. In the PIT-1 return instructions, page 18, read **Filling in Your Tax Return**.
2. Make sure you have all the necessary records, approvals, and certifications.
3. On the 2013 Schedule PIT-ADJ, enter the primary taxpayer's name and social security number from lines 1a and 1b of your PIT-1 return. Make sure the name and number are correct and readable.
4. Using the detailed instructions for each line on the next pages, complete the 2013 Schedule PIT-ADJ.
5. Double-check the figures on your 2013 Schedule PIT-ADJ. Be sure your arithmetic is correct and make sure all entries are complete and correct.
6. If line 11 is applicable, make sure you correctly marked the boxes.
7. Transfer the total on line 5 of this schedule to PIT-1, line 11.
8. Transfer the total on line 21 of this schedule to PIT-1, line 15.
9. Attach your completed PIT-ADJ to your PIT-1 return.

## DETAILED INSTRUCTIONS FOR EACH LINE

### ADDITIONS TO FEDERAL ADJUSTED GROSS INCOME

#### LINE 1

##### Interest and dividend income from federal tax-exempt bonds

Enter your interest or dividend income from all state and municipal bonds that was excluded from your federal adjusted gross income. This includes all federally tax-exempt interest and dividends reported on federal Forms 1040 or 1040A from state and municipal obligations.

If you subtracted expenses for tax-exempt investment income on your federal return, add them back on line 1 to determine New Mexico taxable income. Use line 6 of this Schedule PIT-ADJ to claim the deduction for interest and dividends of obligations exempt from New Mexico taxable income.

#### LINE 2

##### Net operating loss

Enter the amount of any federal net operating loss carryforward or carryback from **Other income** on federal Form 1040, line 21. Enter the amount as a positive number.

You need to add the federal net operating loss carryforward to the income you reported on PIT-1 return, line 9, because the rules for applying a net operating loss deduction to New Mexico taxable income are different from federal rules.

For more information on the deduction for a New Mexico net operating loss carryforward, see the details for line 7 later in these instructions.

#### LINE 3

##### Contributions refunded when closing a New Mexico-approved Section 529 college savings plan account and certain contributions rolled out of a New Mexico-approved Section 529 college savings plan account

If you closed a New Mexico-approved

Section 529 college savings plan account, and received a refund of the contributions, enter the amount of contributions refunded. Only enter a refund of contributions if the contributions were deducted on an earlier New Mexico personal income tax return.

If you rolled over contributions from a New Mexico-approved Section 529 college savings plan account to a non-New Mexico-approved Section 529 college savings plan account, enter the amount of those contributions. Only enter a rollover of contributions if the contributions were deducted on an earlier New Mexico personal income tax return.

Enter the amount of qualified contributions refunded to you or rolled over during the tax year from the New Mexico Education Trust Fund on line 3.

Do not include the following **earnings** refunded to you as the investor:

- **Earnings** rolled over from a New Mexico-approved Section 529 college savings plan account to a non-New Mexico-approved Section 529 college savings plan, **or**
- Qualified distributions from the Section 529 college savings plan account.

For more information, see Brochure #6, New Mexico Income Tax and Your Education Trust (529) Plan, on the Department's website.

#### LINE 4

##### Charitable deduction amount claimed on federal Form 1040, Schedule A, for a donation of land to private non-profit or public conservation agencies for conservation purposes from which you were allowed the New Mexico Land Conservation Tax Credit

If both of the following are true, you must add back the charitable deduction amount included in the itemized deductions claimed on your federal Form 1040, Schedule A:

- You donated land to private non-profit or public conservation agencies for conservation purposes from which you claimed a New Mexico

**land conservation incentives tax credit.**

- You claimed a charitable deduction for the same contribution in the federal itemized deductions on your federal personal income tax return.

If both are true, enter the charitable deduction amount claimed on federal Form 1040, Schedule A, from which you were allowed the New Mexico land conservation tax credit, but not below the standard deduction amount that you would have qualified for had you not itemized your deductions on the federal return plus the amount of itemized state and local tax deduction reported on Form PIT-1, line 10.

Use the worksheet on the next page to compute the amount of the charitable deduction claimed on Form 1040, Schedule A to be added back to New Mexico taxable income.

### DEDUCTIONS/EXEMPTIONS FROM FEDERAL ADJUSTED GROSS INCOME

#### LINE 6

##### New Mexico tax-exempt interest and dividends

Enter the total interest or dividend income you received from the following investments:

- State and local bonds exempt from New Mexico taxable income, including the State of New Mexico or its agencies, institutions, instrumentalities, or political subdivisions;
- Obligations of the Commonwealth of Puerto Rico, Guam, Virgin Islands, American Samoa, or Northern Mariana Islands;
- **Federally taxable** bonds issued by the State of New Mexico; **and**
- Mutual funds, unit investment trusts, or simple trusts invested in obligations of the State of New Mexico or its agencies, institutions, instrumentalities, or political subdivisions, or from the Commonwealth of Puerto Rico, Guam, Virgin Islands, American Samoa, or Northern Mariana Islands.

You may deduct only the amount



<b>Worksheet for computing the Charitable Deduction Amount claimed on Federal Form 1040, Schedule A, from which you were allowed the New Mexico Land Conservation Tax Credit</b>	
1. Enter the charitable deduction you claimed on federal Form 1040, line 19, for a donation of land to private non-profit or public conservation agencies for conservation purposes from which you were allowed the New Mexico Land Conservation Tax Credit.	\$
2. Enter your total itemized deductions from federal Form 1040, line 40.	\$
3. Enter the sum of the amounts you reported on federal Form 1040, Schedule A, lines 4, 9, 15, 19, 20, 27, and 28.	\$
4. Divide line 2 by line 3. Round to 4 decimal places.	%
5. Multiply line 4 by line 1.	\$
6. Enter the standard deduction amount you could have claimed on federal Form 1040, line 40, if you had not itemized your federal allowable deductions.	\$
7. Add the amount entered on Form PIT-1, line 10, if any, to line 6 and enter the result here; otherwise, enter the amount from line 6.	\$
8. Subtract line 7 from line 2. If less than zero, enter zero.	\$
9. Enter the lesser of lines 5 and 8. <b>Also enter this amount on PIT-ADJ, line 4.</b>	

shown on the annual statement provided by the mutual fund, unit investment trust, or simple trust as flowing through to the investor from this investment income.

IRAs do not qualify. IRAs invested in obligations of the State of New Mexico or its agencies, institutions, instrumentalities, or political subdivisions, or from the Commonwealth of Puerto Rico, Guam, Virgin Islands, American Samoa, or Northern Mariana Islands do not qualify as a simple trust. You may not deduct any IRAs.

If the amount on line 6 is more than the amount on line 1, attach an explanation to your return.

#### **LINE 7 New Mexico net operating loss**

If you have an unused New Mexico net operating loss carryforward from a previous year, enter the carryforward amount to apply against New Mexico

taxable income for 2013.

All New Mexico net operating losses must flow from a federal net operating loss. You cannot have a New Mexico net operating loss without a federal net operating loss.

Unlike a federal net operating loss carryforward, a New Mexico net operating loss incurred in tax years after 1990 **cannot be carried back**. The loss may only be carried forward for five years or until the total amount of the loss carryover has been used, whichever occurs first.

You can apply a New Mexico net operating loss carryforward:

- If you filed your return on time, the following tax year, **or**
- The first tax year that begins after the date you file a return establishing the loss.

To calculate the carryforward amount

from a New Mexico net operating loss recognized in a previous year, follow these steps:

1. Add the next two amounts.
  - The federal net operating loss as defined by Section 172(c) of the Internal Revenue Service for the tax year of the loss.
  - Any interest received on U.S. government obligations less related expenses reported on your New Mexico tax return for the tax year of the loss.
2. From the total, subtract any loss used in earlier tax years.

Use Form RPD-41369, *Net Operating Loss Carryforward Schedule*, to show the tax year when each New Mexico net operating loss occurred and how the loss for each tax year, for which it was carried forward, was used. Attach Form RPD-41369 to your return.

#### **LINE 8 Interest received on U.S. government obligations**

Enter the interest you received from U.S. Government obligations, including:

- U.S. savings bonds
- Treasury bills
- Notes issued by the Federal Home Loan Banks, but not dividends
- U.S. government obligations from your share of income from partnerships, S corporations, or limited liability companies or a distribution from a unit investment or simple trust (see the note below)

**NOTE:** Interest from the Government National Mortgage Association (Ginnie Mae), Federal National Mortgage Association (Fannie Mae), or Federal National Home Loan Mortgage Association (Freddie Mac), **IS NOT** deductible as interest on U.S. government obligations.

You may deduct dividends from mutual funds invested in U.S. government obligations according to the percentage of the total fund invested in U.S. government obligations. The fund must give investors a statement of the

amount of interest income from investments in U.S. government obligations.

**LINE 9  
Taxable Railroad Retirement Act annuities and benefits, and taxable Railroad Unemployment Insurance Act sick pay**

Enter your total taxable Railroad Retirement Act annuities and benefits, and taxable Railroad Unemployment Insurance Act sick pay, if any of those amounts were part of your federal taxable income. Attach Forms RRB-1099 and RRB-1099R.

**LINES 10, 10a, and 10b  
Income of a member of a New Mexico federally recognized Indian nation, tribe, or pueblo that was wholly earned on the lands of the reservation or pueblo of which the individual is an enrolled member while domiciled on that land, reservation, or pueblo**

If you, your spouse, or both, were enrolled members of a New Mexico federally recognized Indian nation, tribe, or pueblo, your income is exempt from federal adjusted gross income if:

- You lived on the land of the Indian nation, tribe, or pueblo of membership when you earned the income, and
- You earned the income on the lands of that nation, tribe, or pueblo.

You must meet both conditions.

**CAUTION:** Income earned **off** the lands of your own or your spouse's

nation, tribe, or pueblo is subject to New Mexico income tax no matter where you live.

Military pay of an enrolled member is exempt only for times when the home of record is on the member's own Indian nation, tribe, or pueblo lands.

Retirement or pension income is exempt only when the retirement or pension is the result of employment on the member's Indian nation, tribe, or pueblo. You may not deduct retirement or pension income from employment off the lands of the nation, tribe, or pueblo.

On line 10, enter the amount of qualifying income. On lines 10a and 10b, enter the name of your and, if applicable, your spouse's Indian nation, tribe, or pueblo.

**NOTE FOR LINES 10 AND 11:** You may not claim combined exemptions and deductions for more than 100% of income. If you claim rebates and credits on Schedule PIT-RC, you must also include amounts exempted or deducted on lines 10 and 11 on this Schedule PIT-ADJ, in your income when calculating modified gross income. For more information, see the instructions for Schedule PIT-RC.

**LINE 11 and BOXES 11a and 11b  
Income of persons age 100 years or older**

If someone else cannot claim a person 100 years old or older as a dependent, the income of the centenarian

is exempt from New Mexico's income tax. To qualify, you must be 100 years or older at the end of the tax year for which you claim the exemption.

If you qualify, mark the box or boxes on lines 11a and 11b. **If you do not mark the box or boxes, the Department will deny your exemption.**

See **NOTE FOR LINES 10 AND 11** above.

**Unmarried Centenarians.** If you are an unmarried centenarian, you do not need to file a return unless you want to claim rebates and credits available for low-income filers.

**Married Centenarians.** New Mexico is a community property state, and rules are different for married centenarians.

If you are a married centenarian filing jointly or separately, you may exempt **half** of all community income and **all** of your separate income. If you report an exemption for more or less than 50% of total joint income, attach a statement showing a correct division of community property along with separate income and payments.

People 100 years old or older may not claim combined exemptions and deductions for more than 100% of income. If you claim rebates and credits on Schedule PIT-RC, include your income in calculating modified gross income on that schedule. See the instructions for Schedule PIT-RC.

For more information, see Bulletin B-

**TABLE 1. Exemptions for Persons 65 or Older or Blind (see line 12 instructions)**

Married Filing Jointly, Head of Household, Qualifying Widow(er)		Single		Married Filing Separately		Amount for each taxpayer 65 or older, or blind, for federal income tax purposes
Adjusted Gross Income PIT-1 Return, Line 9		Adjusted Gross Income PIT-1 Return, Line 9		Adjusted Gross Income PIT-1 Return, Line 9		
	<u>But not Over</u>		<u>But not Over</u>		<u>But not Over</u>	
\$ 0	\$30,000	\$ 0	\$18,000	\$ 0	\$15,000	-----\$ 8,000
30,001	33,000	18,001	19,500	15,001	16,500	----- 7,000
33,001	36,000	19,501	21,000	16,501	18,000	----- 6,000
36,001	39,000	21,001	22,500	18,001	19,500	----- 5,000
39,001	42,000	22,501	24,000	19,501	21,000	----- 4,000
42,001	45,000	24,001	25,500	21,001	22,500	----- 3,000
45,001	48,000	25,501	27,000	22,501	24,000	----- 2,000
48,001	51,000	27,001	28,500	24,001	25,500	----- 1,000
51,001 -----		28,501 -----		25,501 -----		----- 0

300.03, New Mexico Exempts 100(+)-Year-Olds from Personal Income Tax, on the Department's website.

**LINE 12**  
**Exemption for persons age 65 or older, or blind**

You may be eligible for an exemption of up to \$8,000 based on your filing status and your federal adjusted gross income from Form PIT-1, line 9, if:

- You are 65 or older, **or**
- You are not yet 65, but considered blind for federal income tax purposes.

Find the column in Table 1 on the previous page that matches your filing status. Then find the row that includes your federal adjusted gross income. Read across to the last column for the exemption amount.

When both persons in a married couple are either 65 or older **or** blind on the last day of the tax year, the amount in the table applies to **each** taxpayer on a joint return.

**Be sure to mark the correct boxes on your PIT-1 return, page 1.** If you or your spouse are 65 years of age or older, mark boxes 1d and 2d. If you or your spouse are blind for federal income tax purposes, mark boxes 1c and 2c. If you leave these box(es) blank, the Department must deny your exemption on the Schedule PIT-ADJ.

The Department at some time may request proof that you or, if applicable, your spouse are blind for federal purposes. Please do not attach the proof to your return.

**NOTE:** You cannot take deductions for being both 65 or older **and** blind. The Department allows one deduction per person.

**EXAMPLE:** A married couple files jointly and both people are 65 or older. Their federal adjusted gross income is \$35,000. According to Table 1 on the previous page, the exemption amount is \$12,000 (\$6,000 x 2).

If the same couple is also blind, the

exemption is still \$12,000.

**EXAMPLE:** A married couple files jointly. The primary taxpayer is 65 and the spouse is 45 and blind. Their federal adjusted gross income is \$28,000. According to Table 1, the exemption is \$16,000 (\$8,000 x 2).

**LINE 13**  
**Exemption for New Mexico medical care savings account**

If you or your spouse are enrolled in a New Mexico Medical Care Savings Account (NMMSA) established by an employer, and during 2013 you made or received contributions to the account or made or received distributions from the account, you may be entitled to claim a New Mexico medical care savings account exemption.

An NMMSA is a tax-exempt trust or custodial account set up by a self-employed individual or a small employer that maintains a high-deductible individual or family health plan. The funds from the NMMSA are used to pay the employee's unreimbursed medical care expenses. To qualify for the exemption, the qualified contributions or distributions must be included in your federal taxable income.

**CAUTION:** Generally, qualified contributions and earnings are excluded, exempted, or deducted from federal adjusted gross income and distributions paid for eligible medical expenses are excluded, exempted, or deducted from federal taxable income. If your qualified contribution or distribution is excluded, exempted, or deducted from federal taxable income, you may not claim the exemption from New Mexico taxable income.

The following are exempt from New Mexico income tax, and are reported on line 13, if they are included in your federal adjusted gross income:

- Principal contributed to an NMMSA
- Interest earned on an NMMSA
- Money paid for eligible medical expenses from funds in an NMMSA
- Money advanced to the employee by the employer for eligible medical

expenses, according to the Medical Care Savings Account Act

Do not include excess contributions, unqualified distributions, or money rolled over into another NMMSA.

**LINE 14**  
**Deduction for contributions to a New Mexico-approved Section 529 college savings plan**

You can deduct contributions you made during the tax year to the New Mexico Education Trust Fund (an account in one of the New Mexico-approved Section 529 college savings plans) for each beneficiary. Contributions include the principal and earnings of amounts rolled over to a New Mexico-approved Section 529 college savings plan account from a non-New Mexico-approved Section 529 college savings plan.

**NOTE:** You may only deduct contributions to a Section 529 plan established and approved by the New Mexico Education Trust Board. See Brochure #6, New Mexico Income Tax and Your Education Trust (529) Plan, on the Department's website.

Each person of a married couple who files separate returns may claim half the deduction allowed on a joint return.

**LINE 15**  
**Net capital gains deduction**

You may deduct all or a portion of your net capital gains deduction reported and claimed on your federal tax return. You may deduct the greater of:

- 100% of your net capital gains deduction, not to exceed \$1,000; **or**
- 50% of your net capital gains deduction

Each person of a married couple who files separate returns may claim only half the net capital gains deduction allowed on a joint return.

**NOTE:** You may not claim the net capital gains deduction in addition to credit provided by the Venture Capital Investments Act.

**LINE 16**  
**Armed Forces active duty pay**

If pay, wages, or salaries paid to you or your spouse for U.S. Armed Forces active duty service was included in your federal adjusted gross income on your PIT-1 return, line 9, enter the amount here. This exemption from state income tax applies to residents and to non-residents of New Mexico.

Active duty, as defined in 37 USC 101, means full-time duty in active service. It includes the following:

- Full-time training duty
- Annual training duty
- Full-time National Guard duty
- Attendance, while in active service, at a school designated as a service school by law or by the Secretary of the service

Armed forces includes the Army, Navy, Air Force, Marine Corps, and Coast Guard. Pay, wages, or salaries paid by the U.S. Public Health Service does not qualify for the exemption.

**NOTE:** If you have income from inside and outside New Mexico, also see the instructions for 2013 Schedule PIT-B, lines 1 and 11.

**LINE 17**  
**Medical care expense exemption for persons age 65 years or older**

If you or your spouse are 65 years of age or older, and you paid unreimbursed and uncompensated medical care expenses of \$28,000 or more during tax year 2013, you may claim an exemption of \$3,000. The medical care expenses may be for the care of any combination of you, your spouse, or dependents.

The deduction is allowed for out-of-state residents with an income tax responsibility to New Mexico. However, when medical expenses are for

services provided by a medical doctor, osteopathic physician, or psychologist, the person providing the service must be licensed or certified to practice in New Mexico.

If you qualify for this exemption, enter \$3,000.

The types of medical expenses that you may include are described in the instructions for the PIT-1 return, line 16, with one exception. You may **include** unreimbursed and uncompensated medical care expenses included in itemized deductions on federal Form 1040, Schedule A.

**NOTE:** If you are eligible to claim the medical care expense exemption for persons age 65 years or older, you are also eligible to claim the refundable medical care credit for persons 65 years or older reported on Schedule PIT-RC, line 23. This gives you an additional tax benefit. To claim that tax credit, you must complete Schedule PIT-RC.

To calculate the unreimbursed and uncompensated medical care expenses on PIT-ADJ, you may include the following:

- Unreimbursed and uncompensated medical care expenses used to compute the medical care expense deduction claimed on PIT-1, line 16, **and**
- All qualified expenses used to calculate the refundable medical care credit for persons 65 or older reported on Schedule PIT-RC, line 23.

**LINE 18**  
**Deduction for organ donation-related expenses**

Enter any human organ donation-related expenses, not to exceed \$10,000. This includes your or your dependent's lost wages, lodging, and travel expenses incurred during the taxable year.

"Human organs" are defined as all or part of a heart, liver, pancreas, kidney, intestine, lung, or bone marrow.

Each person of a married couple who chooses to file separate returns for a tax year, when the couple could have filed a joint return, may each claim only one-half of the deduction allowed on a joint return.

**LINE 19**  
**New Mexico National Guard member life insurance reimbursements tax exemption**

An individual who receives a reimbursement from the National Guard Service Member's Life Insurance Reimbursement Fund may claim a personal income tax exemption in the amount of the reimbursement.

The New Mexico Office of Military Affairs issues the reimbursement and sends each recipient a Form 1099-Misc for the reimbursement. If you claim a New Mexico National Guard member life insurance reimbursements tax exemption, attach Form 1099-Misc to support your exemption.

**LINE 20**  
**Taxable refunds, credits, or offsets of state and local income taxes from federal Form 1040, line 10**

For tax years beginning on or after January 1, 2011, a deduction is allowed for the amount you entered on the current year federal Form 1040, line 10, for **Taxable refunds, credits or offsets of state and local income taxes**.

To qualify, you must have itemized your deductions and included these refunds, credits, or offsets in adjusted gross income on a prior year federal Form 1040, Schedule A. You are required to report the taxable refunds credits or offsets of state and local income taxes on the current year (2013) federal Form 1040.

*The Department encourages all taxpayers to file electronically.  
Electronic filing is fast and secure. It provides the fastest turnaround for a refund and saves tax dollars, costing less to process than a paper return.*