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1 1978;

2 D. the right to have the department conduct its
3 audits in a timely and expeditious manner and be entitled to
4 the tolling of interest as provided in the Tax Administration
5 Act;

6 E. the right to obtain nontechnical information
7 that explains the procedures, remedies and rights available
8 during audit, protest, appeals and collection proceedings
9 pursuant to the Tax Administration Act;

10 F. the right to be provided with an explanation of
11 the results of and the basis for audits, assessments or
12 denials of refunds that identify any amount of tax, interest
13 or penalty due;

14 G. the right to seek review, through formal or
15 informal proceedings, of any findings or adverse decisions
16 relating to determinations during audit or protest procedures
17 in accordance with the provisions of Section 7-1-24 NMSA 1978
18 and the Administrative Hearings Office Act;

19 H. the right to have the taxpayer's tax
20 information kept confidential unless otherwise authorized by
21 the Tax Administration Act;

22 I. the right to abatement of an assessment of
23 taxes determined to have been incorrectly, erroneously or
24 illegally made, as provided in Section 7-1-28 NMSA 1978, and
25 the right to seek a compromise of an asserted tax liability

1 by obtaining a written determination of liability or
2 nonliability when the secretary in good faith is in doubt of
3 the liability as provided in Section 7-1-20 NMSA 1978;

4 J. upon receipt of a tax assessment, the right to
5 be informed clearly that if the assessment is not paid,
6 secured, protested or otherwise provided for in accordance
7 with the provisions of Section 7-1-16 NMSA 1978, the taxpayer
8 will be a delinquent taxpayer and, upon notice of
9 delinquency, the right to timely notice of any collection
10 actions that will require sale or seizure of the taxpayer's
11 property in accordance with the provisions of the Tax
12 Administration Act; and

13 K. the right to procedures for payment of tax
14 obligations by installment payment agreements, in accordance
15 with Section 7-1-21 NMSA 1978."

16 SECTION 2. Section 7-1-8 NMSA 1978 (being Laws 1965,
17 Chapter 248, Section 13, as amended) is amended to read:

18 "7-1-8. CONFIDENTIALITY OF RETURNS AND OTHER
19 INFORMATION.--

20 A. It is unlawful for any person other than the
21 taxpayer to reveal to any other person the taxpayer's return
22 or return information, except as provided in Sections 7-1-8.1
23 through 7-1-8.12 NMSA 1978.

24 B. A return or return information revealed
25 pursuant to Sections 7-1-8.1 through 7-1-8.12 NMSA 1978:

1 (1) may only be revealed to a person
2 specifically authorized to receive the return or return
3 information and the employees, directors, officers and agents
4 of such person whose official duties or duties in the course
5 of their employment require the return or return information
6 and to an employee of the department;

7 (2) may only be revealed for the authorized
8 purpose and only to the extent necessary to perform that
9 authorized purpose;

10 (3) shall at all times be protected from
11 being revealed to an unauthorized person by physical,
12 electronic or any other safeguards specified by directive by
13 the secretary; and

14 (4) shall be returned to the secretary or
15 the secretary's delegate or destroyed as soon as it is no
16 longer required for the authorized purpose.

17 C. If any provision of Sections 7-1-8.1 through
18 7-1-8.12 NMSA 1978 requires that a return or return
19 information will only be revealed pursuant to a written
20 agreement between a person and the department, the written
21 agreement shall:

22 (1) list the name and position of any
23 official or employee of the person to whom a return or return
24 information is authorized to be revealed under the provision;

25 (2) describe the specific purpose for which

1 the return or return information is to be used;

2 (3) describe the procedures and safeguards
3 the person has in place to ensure that the requirements of
4 Subsection B of this section are met; and

5 (4) provide for reimbursement to the
6 department for all costs incurred by the department in
7 supplying the returns or return information to, and
8 administering the agreement with, the person.

9 D. A return or return information that is lawfully
10 made public by an employee of the department or any other
11 person, or that is made public by the taxpayer, is not
12 subject to the provisions of this section once it is made
13 public."

14 SECTION 3. A new Section 7-1-8.12 NMSA 1978 is enacted
15 to read:

16 "7-1-8.12. INFORMATION THAT MAY BE REVEALED TO STAFF OF
17 THE LEGISLATIVE FINANCE COMMITTEE.--

18 A. An employee of the department may reveal to
19 staff of the legislative finance committee return information
20 for purposes provided in this section.

21 B. Upon request by the director of the legislative
22 finance committee, including by electronic means, the
23 department shall provide return information, except that
24 which is prohibited by law, to the staff of the legislative
25 finance committee. In cases where access is prohibited by

1 federal law, and upon an additional request by the director,
2 the department shall provide the requested return
3 information, redacting any prohibited information. In regard
4 to return information filed pursuant to the Income Tax Act,
5 Corporate Income and Franchise Tax Act, Withholding Tax Act,
6 Oil and Gas Proceeds and Pass-Through Entity Withholding Tax
7 Act and Uniform Division of Income for Tax Purposes Act, the
8 department shall only provide aggregated data of at least
9 three taxpayers, or more if necessary to maintain federal
10 standards for confidential return information, as determined
11 by the department, and shall not include personally
12 identifiable information.

13 C. Prior to the initial reveal of return
14 information to the staff of the legislative finance
15 committee, the department and the director of the legislative
16 finance committee shall enter into a memorandum of
17 understanding for security protocols regarding the
18 confidentiality of the return information. The memorandum of
19 understanding shall be in effect for any subsequent requests
20 to reveal return information. The department may require
21 that the staff of the legislative finance committee
22 satisfactorily complete appropriate training on protecting
23 confidential information prior to receiving return
24 information pursuant to this section.

25 D. If the information requested pursuant to

1 Subsection B of this section is available in an electronic
2 format, the information shall be provided in an editable
3 electronic format available for viewing and editing in
4 software available to the staff of the legislative finance
5 committee.

6 E. The department shall provide visible and
7 clearly marked notification of confidential return
8 information provided pursuant to this section, redacting any
9 prohibited information pursuant to Subsection B of this
10 section. The staff of the legislative finance committee
11 shall not reveal such return information unless the
12 information is aggregated to at least three businesses.

13 F. The staff of the legislative finance committee
14 receiving return information pursuant to this section is
15 prohibited from requesting or using the information for any
16 purpose other than to evaluate programs that have a fiscal
17 impact to the state or a political subdivision of the state.

18 G. Confidential return information received
19 pursuant to this section shall be destroyed as soon as it is
20 no longer required for the purposes authorized by this
21 section."

22 SECTION 4. Section 7-1-76 NMSA 1978 (being Laws 1965,
23 Chapter 248, Section 76, as amended) is amended to read:

24 "7-1-76. REVEALING INFORMATION CONCERNING TAXPAYERS.--A
25 person who reveals to another person any return or return

1 information that is prohibited from being revealed pursuant
2 to Section 7-1-8 NMSA 1978 or who uses a return or return
3 information for any purpose except as authorized by the Tax
4 Administration Act is guilty of a misdemeanor and shall, upon
5 conviction thereof, be fined not more than one thousand
6 dollars (\$1,000) or imprisoned up to one year, or both,
7 together with costs of prosecution, and shall not be employed
8 by the state for a period of five years after the date of the
9 conviction."

10 SECTION 5. EFFECTIVE DATE.--The effective date of the
11 provisions of this act is July 1, 2025. _____

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