

1 SENATE BILL 344

2 **48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007**

3 INTRODUCED BY

4 James G. Taylor

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8 FOR THE REVENUE STABILIZATION AND TAX POLICY COMMITTEE

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10 AN ACT

11 RELATING TO TAXATION; REQUIRING ELECTRONIC FILING OF EMPLOYEE
12 INFORMATION RETURNS BY CERTAIN EMPLOYERS FOR VARIOUS AGENCIES;
13 IMPOSING PENALTIES; ENACTING SECTIONS OF THE NMSA 1978.

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15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

16 Section 1. A new section of the Tax Administration Act is
17 enacted to read:

18 "[NEW MATERIAL] EMPLOYEE INFORMATION RETURN--ELECTRONIC
19 FILING--DEPARTMENT-APPROVED ELECTRONIC MEDIUM--PENALTY.--

20 A. A person that has more than fifty employees
21 shall ensure that each employee information return is submitted
22 to the department by a department-approved electronic medium.

23 B. A person shall pay to the department a penalty
24 in an amount not to exceed two hundred dollars (\$200) for each
25 employee information return filed in violation of this

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1 section."

2 Section 2. A new section of the Withholding Tax Act is
3 enacted to read:

4 "[NEW MATERIAL] EMPLOYEE INFORMATION RETURN REQUIRED--
5 PENALTY.--

6 A. Except for employers that by regulation of the
7 secretary of taxation and revenue adopted pursuant to
8 Subsection D of this section may file employee information
9 returns annually, an employer that is not required to file an
10 unemployment insurance tax form with the labor department shall
11 file quarterly an employee information return with the
12 department on or before the last day of the month following the
13 close of the calendar quarter.

14 B. The employee information return required by this
15 section shall contain all information required by the
16 department, including the:

- 17 (1) each employee's social security number;
18 (2) each employee's name;
19 (3) each employee's gross wages for the
20 quarter;
21 (4) each employee's state income tax withheld;
22 and
23 (5) workers' compensation fees due.

24 C. Failure to file the employee information return
25 by the due date will result in a penalty in the amount of fifty
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1 dollars (\$50.00).

2 D. The secretary of taxation and revenue, by
3 regulation and on a form prescribed by the department, may
4 allow for the submission of an annual statement of withholding
5 for each employee rather than a quarterly employee information
6 return from an employer that is not required to file an
7 unemployment insurance tax form with the labor department, that
8 has fifty or fewer employees and that is not required to
9 electronically file employee information returns using a
10 department-approved electronic medium pursuant to the Tax
11 Administration Act."

12 Section 3. A new section of the Unemployment Compensation
13 Law, Section 51-1-12.1 NMSA 1978, is enacted to read:

14 "51-1-12.1. [NEW MATERIAL] ELECTRONIC REPORTING
15 REQUIREMENTS--PENALTIES.--

16 A. An employer reporting between fifty and two
17 hundred fifty employees in a calendar quarter shall file its
18 quarterly wage and contribution report on magnetic or other
19 electronic medium using a format prescribed by the department.
20 Failure to file a quarterly report in the manner prescribed by
21 this subsection shall result in a penalty of five hundred
22 dollars (\$500) to be paid by the employer.

23 B. An employer reporting more than two hundred
24 fifty employees in a calendar quarter shall file its quarterly
25 wage and contribution report on magnetic or other electronic

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1 medium using a format prescribed by the department. Failure to
2 file a quarterly report in the manner prescribed by this
3 subsection shall result in a penalty of one thousand dollars
4 (\$1,000) to be paid by the employer."

5 Section 4. EFFECTIVE DATE.--The effective date of the
6 provisions of this act is October 1, 2007.