

HOUSE BILL 276

53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018

INTRODUCED BY

Nathan P. Small

Pursuant to House Rule 24-1, this document incorporates amendments that have been adopted prior to consideration of this measure by the House. It is a tool to show the amendments in context and is not to be used for the purpose of amendments.

AN ACT

RELATING TO TAXATION; REQUIRING ANNUAL SUBMISSION OF STATEMENTS OF WITHHOLDING FOR ALL EMPLOYERS; REQUIRING CERTAIN EMPLOYERS TO FILE ELECTRONICALLY HTRC →; ~~PROVIDING A CIVIL PENALTY~~ ← HTRC.

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

SECTION 1. Section 7-3-7 NMSA 1978 (being Laws 1961, Chapter 243, Section 8, as amended) is amended to read:

"7-3-7. STATEMENTS OF WITHHOLDING.--

A. [~~Except for employers required to file quarterly withholding information returns pursuant to the Withholding Tax~~

.210044.1

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

underscored material = new
[bracketed material] = delete
Amendments: new = → bold, blue, highlight
delete = → bold, red, highlight, strikethrough

~~Act or required to file a wage and contribution report to the workforce solutions department pursuant to Section 51-1-12 NMSA 1978]~~ Every employer shall file with the department an annual statement of withholding for each employee. ~~[This]~~ The statement shall be in a form prescribed by the department, ~~[and]~~ except employers with twenty-five or more employees shall file statements using a department-approved electronic medium. The statement shall be filed with the department on or before the last day of ~~[February]~~ January of the year following that for which the statement is made. It shall include the total compensation paid the employee and the total amount of tax withheld for the calendar year or portion of a calendar year if the employee has worked less than a full calendar year.

B. ~~[Except for payors who file the quarterly withholding information returns pursuant to the Withholding Tax Act]~~ Every payor shall file with the department an annual statement of withholding for each individual from whom some portion of a pension or an annuity has been deducted and withheld by that payor. ~~[This]~~ The statement shall be in a form prescribed by the department, except employers with twenty-five or more employees shall file statements using a department-approved electronic medium. The statement shall be in a form prescribed by the department and shall be filed with the department on or before the last day of ~~[February]~~ January of the year following that for which the statement is made. It

.210044.1

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

shall include the total amount of pension or annuity paid to the individual and the amount of tax withheld for the calendar year.

C. Every person required to deduct and withhold tax from a payment of winnings that are subject to withholding shall file with the department an annual statement of withholding for each wagerer from whom some portion of a payment of winnings has been deducted and withheld by that person. The statement shall be [~~in a form prescribed by the department~~] filed using a department-approved electronic medium and shall be filed with the department on or before the last day of [~~February~~] January of the year following that for which the statement is made. It shall include the total amount of winnings paid to the individual and the amount of tax withheld for the calendar year. The department may also require any person who is required to submit an information return to the internal revenue service regarding the winnings of another person to submit copies of the return to the department

HTRC→.”←HTRC

HTRC→~~D. For taxable years beginning January 1, 2020, any employer, payor or person required to file an annual statement of withholding pursuant to this section who fails to do so by the due date is subject to a penalty in the amount of two percent per month of gross wages reported for all employees in that year, not to exceed twenty percent of gross wages for~~

.210044.1

underscored material = new
[bracketed material] = delete
Amendments: new = →bold, blue, highlight←
delete = →bold, red, highlight, strikethrough←

~~that year. The penalty may be waived if the violation is due to reasonable cause rather than willful neglect."~~←HTRC

SECTION 2. APPLICABILITY.--The provisions of this act apply to taxable years beginning on or after January 1, 2019.

- 4 -

.210044.1