New Mexico Taxation and Revenue Department

General Specifications and Approval Procedures
for the Reproduction of New Mexico State Tax Forms

A guide for tax software providers.

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INTRODUCTION

Tax Software Providers that propose to reproduce, develop, distribute, and or use New Mexico tax forms must submit a Letter of Intent/Operating and Non-Disclosure Agreement (LOI) and receive approval to generate any substitute[1] New Mexico state tax form. A substitute form must meet the requirements of the New Mexico Taxation and Revenue Department (TRD), and TRD must test and approve the form before release or distribution. TRD reserves the right to reject substitute forms with poor legibility or forms that do not meet TRD's requirements.

IMPORTANT: Non-specific tax year forms include Compensating Tax, Governmental Gross Receipts Tax, Gross Receipts Tax, Interstate Telecommunications Gross Receipts Tax, Leased Vehicle Gross Receipts Tax and Surcharge, Non-wage Withholding Tax, Wage Withholding Tax, Workers' Compensation, and other forms that don't show the year. If a Tax Software Provider received TRD's approval for a non-specific tax year form, the only time to request another approval of that form is when updating the form to match a TRD revision. Tax Software Providers are responsible for ensuring use of the most current version of the form, instructions, and specifications.

E-Filing And Bulk Filing

TRD supports electronic transmission of income tax returns. For information about transmitting returns electronically, see the *Tax Preparer's Guide for Income Tax Returns* at https://www.tax.newmexico.gov/tax-professionals/e-filing-mandates-overview/software-developers/. Click the folder titled **Tax Preparer's Guide** then select the **Open File** link for the desired *Tax Preparer's Guide for Income Tax Returns.*

For information about e-filing returns, go to https://www.tax.newmexico.gov/online-services/ , from this webpage you can access Department's Taxpayer Access Point (TAP), https://tap.state.nm.us. You can also locate a link to the TRDs YouTube channel where you can locate a number of how-to videos in addition to other videos released by TRD.

TRD supports bulk filing for certain reports and returns, please visit the TAP website for more information. You can locate the **Frequently Asked Questions (FAQs)** from the homepage using the **HELP** panel. Procedures for bulk filing are located at the end of these specifications.

GENERAL INFORMATION ABOUT SUBSTITUTE FORMS

TRD tax forms are available at http://www.tax.newmexico.gov. Click **Forms & Publications** and follow the links to the forms in the applicable tax program folder. You can print these forms, complete them by hand, and submit them to TRD for processing. Any electronically accessible form you find elsewhere is a substitute form that was reproduced by a Tax Software Provider. The Tax Software Provider has to go through an approval process in order to make substitute forms available for New Mexico taxpayers and tax preparers.

Don't Alter Any Tax Forms

Don't alter New Mexico state tax forms in any way. For example, don't use a 2020 income tax form to file a 2021 tax return. TRD rejects TRD-supplied or approved forms that taxpayers or tax preparers alter.

Two Types Of Substitute Forms

There are two types of substitute forms—scannable[2] and non-scannable. To see the latest versions of the Department's forms, go to https://www.tax.newmexico.gov/tax-professionals/e-filing-mandates-overview/software-developers/ then click the hyperlink titled **Form Revision and Release Dates**. Within this docu-

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1 A substitute form is any form produced and made available by any entity other than TRD.
2 A scannable form is one with features, such as a barcode, recognized by TRD's automated imaging and processing equipment.

ment you can click a forms URL to see if it has a barcode. Forms with a barcode are scannable. If the form doesn't have a barcode, the form is non-scannable.

Release Dates For Scannable Forms
TRD uses the National Association of Computerized Tax Processors (NACTP) to distribute anticipated release dates of the LOI, and tax-year-specific testing of electronic submissions and scannable forms to NACTP global email subscribers. Please join the NACTP at https://www.nactp.org/ and subscribe to the global email, nactp_list@nactp.org.

LETTER OF INTENT

The New Mexico Letter of Intent (LOI) is consolidated to accommodate all income tax programs for forms developers and MeF developers. New Mexico provides access to electronically submit the LOI at the Tax Software Provider Access Point (TSPAP). It is important for the Tax Software Provider to identify the TSPAP user that will be submitting the LOI on behalf of the company's e-filing and forms development teams.

Important: Your LOI submission should include accurate data and contact infomation as to not delay the review process.

Generally, information about the LOI becomes available each August. The New Mexico MeF Team will send an announcement through an established global email that contains details regarding the TSPAP website URL, username, password, and documentation on usage of the site.

Each software product requires a separate LOI to request an approval to submit testing validation of electronic submissions and scannable forms, clearly indicating the tax programs and schedules that will be submitted.

LOI Due Date
The due date to electronically submit LOI(s) is November 01, 2021. TRD must approve your product's LOI before we can accept your product test package.

Access to New Mexico's required form and schema specifications and testing criteria shall be provided through the Federation of Tax Administrators State Exchange System (FTA-SES). Access to FTA-SES will be granted upon receipt, review, and approval of the LOI agreement.

New Tax Software Providers must contact the New Mexico MeF Team at TRD-MEFinfo@state.nm.us for all LOI and e-filing inquires and the New Mexico Forms Team at NMTax.Forms@state.nm.us for all forms development inquiries.

New Tax Software Providers must register with NACTP and request an NACTP Vendor ID. Go to www.nactp.org, click on **ABOUT NACTP** then select **NACTP Vendor ID Request**. This vendor ID identifies your product throughout testing and captures the origination of each income tax return received by TRD.

Note: Form Approval Submission email subjects should include your Vendor ID and product ID as these two numbers are linked to your product throughout the testing process.

New Tax Software Providers must also register with the Federation of Tax Administrators (FTA) at www.taxadmin.org. FTA serves as a source of information and expertise for state administrators and others on the workings of state tax agencies and systems as well as issues generally affecting tax policy and administration. Once registered, information about how to access TRD's forms and schemas on the FTA-SES will be available.

GENERAL TAX FORM DESIGN STANDARDS

New Mexico follows the Tax Form Design Standards and Guidelines set by NACTP's Government Liaison Committee (GLC). You can find their manual at https://www.nactp.org/. New Mexico also distributes important information about TRD's forms approval processes through the NACTP global email list.

Paper and Ink	Standard
Paper size	8 1/2 x 11 1/2 inches
Paper printing	Single-sided
Paper weight	20-pound bond
Paper color	White
Ink	Black non-MICR
Carbon and carbon-bonded paper	Not allowed

Form Text Design	Standard
Paper orientation	Portrait
Text fonts and sizes	Arial or Helvetica; 6, 8, 10, 12, and 14 point
Lines per vertical inch	6 vertically (1/6 inch each)
Characters per horizontal inch	10 horizontally (1/10 inch each)
Margin	1/2 inch on all sides
Vertical printable area	First line = row 4 Last line = row 63
Horizontal printable area	First printable space = column 6 Last printable space = column 80

Printed Variable Data (taxpayer-specific information)	Standard
Graphics or special characters	Can't deviate from those in form design image
All variable data	Use as shown in form design image
Text fonts and sizes	Courier, 10 and 12 point
Leading dollar signs in amount field	Not allowed
Leading zeros	Not allowed, unless specifically requested
Negative amounts	Use a leading dash immediately to the left of the leftmost character

Printed Variable Data (taxpayer-specific information)	Standard
Zero amount	Leave field blank, unless specifically requested to enter zero
Schedule not required	Leave all fields blank, unless schedule is required
Dollar rounding required	≤ 0.49 rounds down, ≥ 0.50 rounds up to the whole dollar. Do **not** include decimals for a number rounded to the dollar.

Percentage or ratio	Calculate to two to four decimal places, such as 0.43, 0.043, or 0.0043. See instructions or form design image for correct decimal places of each ratio or percentage field.

GENERAL SCANNABLE FORM DESIGN FEATURES

Printed Scanline Data

Some TRD forms have a scanline. The specifics for this design feature are described in the *Specifications and Approval Procedures* documents for forms with scanlines. Scanlines are machine-readable and require the exact font and exact placement on the printed form. There are two variations of scanlines—one for income tax form payment vouchers and others for miscellaneous tax programs.

Printed 3 of 9 Barcode Data

Some TRD forms have a 3 of 9 barcode. The specifics for this design feature are described in the *Specifications and Approval Procedures* for forms with 3 of 9 barcodes. These barcodes are placed in the upper right corner of the forms as shown on the form design image. The 3 of 9 barcode is a nine-digit number identifying the form and the Tax Software Provider producing the form. This design feature helps TRD manage imaged documents.

IMPORTANT: Scannable forms should not have numbers printed directly under the barcode. This area is considered a silect zone and should be free of markings of any type. Having number or letters within the silent zone around the barcode can interfere with barcode scanning.

Tax Preparer Mandate

Paid tax preparers who prepare more than 25 New Mexico personal income tax returns must submit each return using TRD-approved electronic media, unless the taxpayer whose return is prepared requests otherwise. **When a preparer fails to comply with this requirement, TRD assesses a $5.00 penalty for each personal income tax return the preparer generates.**

LEGIBILITY AND PRINTING REQUIREMENTS

A high standard of legibility for printing and reproduction is required for all forms and variable data fields. The paper, ink, and printing method must ensure no part of a form develops smears or similar deterioration.

INSTRUCTION REQUIREMENTS

Any Tax Software Provider TRD approved to develop, distribute, or use New Mexico scannable and non-scannable tax forms must clearly instruct clients, customers, and users to do the following:
- Submit quality printed forms **only**.
- Include paper, ink, legibility, and printing standards.
- Include a warning not to submit photocopies of forms to TRD for processing.
- Stress the importance of only sending "government copy" tax returns without truncated taxpayer identification numbers (TTINs). TRD rejects these returns. "Client copy" returns with TTINs are for taxpayers' records, not intended for submission to TRD.
- Notify users that following the standards ensures TRD effectively processes substitute forms.

APPROVAL PROCEDURES FOR SUBSTITUTE FORMS

TRD has two procedures for submitting substitute forms for approval—one for scannable forms and the other for non-scannable forms. To avoid delays, make sure to use the correct approval process for the type

of form you want to reproduce.

For scannable forms, follow the approval instructions in the Specifications and Approval Procedures for the tax type and the form design image specific to each substitute form.

What's Most Important To Know
- The Tax Software Provider is responsible for making sure products contain the latest form versions.
- It is the Tax Software Provider's responsibility to proof-read all forms before submission.
- To avoid delays, submit the forms to the correct email address and the correct mailing address.
- TRD cannot accept approval packages by fax.

Submitting Scannable, Substitute Forms For Approval
Scannable forms may be tax-year-specific or continuous use. Tax-year-specific forms require TRD approval annually after TRD releases final versions of the forms and before you release and distribute through your product(s). Continuous use scannable forms require TRD approval only upon revision and may be emailed to NMTax.Forms@state.nm.us for an approval request.

TRD recommends that you use the original TRD stylesheet PDFs in your software when possible. If you use original TRD PDFs, note your submission. TRD will assign review priority to submissions that use original PDFs.

IMPORTANT: Forms that are recreated take longer to review. Forms that cannot be read by scanning equipment will be rejected.

Testing Sequence For Scannable Forms
When TRD receives your approval package, TRD tests all samples for correct font size, form images, and variable data placement. TRD then tests the scannable features of the forms. If the test package fails any part of these tests, TRD will not approve the product.

Requirements For Approving A Scannable Test Form
- The form is legible and scannable.
- The form's appearance conforms **exactly** to specifications.
- All form text and variable fields are within the specified area.
- The 3 of 9 barcode is included when required on the form.
- The scanline is included when required on the form.
- The vendor code, product code, and version number are included when required on the form.
- The form should be printed at full size or actual size if you are submitting paper forms.

When Testing Begins And Ends
For TY2021 tax-specific-forms, TRD will begin the testing and approval process on **November 01, 2021. I**n general, you must submit your first set of forms no later than **December 15, 2021**. Testing ends on **January 31, 2021.** After this date, TRD rejects testing packages.

IMPORTANT: While TRD tries to adhere to a turnaround time of 10 business days, the testing period may take longer.

When TRD Rescinds An Approval
If TRD approves a form but a scannable feature on the form fails to follow published specifications for the feature, TRD rescinds approval of the form. An example is if TRD receives unapproved versions of a form during the filing season. Another example is when a product with an error causes TRD to create processes

to bypass the error and the Tax Software Provider fails to correct the error and update the product. TRD will make significant efforts to contact and provide assistance in helping to resolve all issues. Willful non-compliance with TRD's requirements and requests will result in rescinding a Tax Software Provider's forms approval and possibly the LOI. It is the Tax Software Provider's responsibility to make sure their partners receive the most updated versions of all forms.

What TRD Doesn't Review Or Approve

TRD does not review or approve the logic of specific software programs, nor does the agency confirm the calculations on the forms produced by these programs. The accuracy of the program remains the responsibility of the software developer, distributor, or user.

WHERE TO SUBMIT FORMS

Submitting Scannable Forms For Approval

TRD has added electronic submissions. Electronic submissions are encouraged to reduce handling of paper. Tax software providers should submit their test packages using the link TRD provides to the forms contact listed on the LOI. If you experience issues while using the secure file upload link you may email your submission to: NMTax.Forms@state.nm.us.

NOTE: NMTax.Forms@state.nm.us is used to receive all incoming tax form questions and other email inquiries from internal and external users. TRD encourages tax software providers to use the secure file upload to ensure form approval submissions are reviewed in a timely manner.

Electronic Submissions

TRD will reject electronic submission that do not meet the below standards.
* Include your NACTP vendor code and your product number on the cover sheet and on each return.
* Submit the cover sheet as a separate PDF.
* Do not split a multi-page form into more than one PDF (i.e. do not split the PIT-1 into two PDFs).
* Do not combine multiple tax programs into a single submission (i.e. do not combine personal income tax and corporate income tax forms).
* Do not split tax program submission into multiple submission (i.e. submit all personal income tax forms and schedules in the same submission).
* PDFs should be produced at full-size or actual size (i.e. do not save a PDF at fit to page).

Paper Submissions

TRD encourages vendors to submit their test packages electronically. Paper submission do take longer to review due to manual handling. If you mail a package, TRD requires an email with mail out date and package tracking information, if applicable, send email to: NMTax.Forms@state.nm.us. Having this information in advance will allow TRD to make arrangements to accept the package. To prevent lost test packages or delays in testing, only submit packages to this address:

New Mexico Taxation and Revenue Department
Attention: OOS- Tax Information and Policy Office
1100 S. St. Francis Drive, Suite 3088
Santa Fe, NM 87505

Submitting Non-Scannable, Substitute Forms For Approval

Tax Software Providers can submit non-scannable forms for approval any time during the year. TRD publishes an updated list of all non-scannable forms on our website: https://www.tax.newmexico.gov/forms-publications/. To locate the document click on the *Other Taxes*, *Software Develope*rs, and select the docu-

ment titled F**orm Revision and Release Dates**. This document contains a list of all non-scannable forms and their URL locations.

IMPORTANT: While TRD tries to adhere to a review turnaround time of 10 business days, the test may take longer.

To get approval to generate non-scannable, substitute forms that are completed electronically and printed, do the following:
1. Go to TRD's **Software Developer** web page and review *Form Revision and Release Dates* to make sure you're submitting the latest version of each form.
2. Prepare two sample copies of each form within each tax program series for your approval package.
   • The first sample contains forms with no taxpayer variable data (blank).
   • The second sample contains forms with full-field filled[3] with variable data.
3. Submit approval packages by email to NMTax.Forms@state.nm.us. Include a cover letter with your NACTP vendor code, your product number, contact information, and a checklist of the forms submitted in the test approval package.

BULK FILING
You can bulk file certain reports and returns. See the next procedures for filing documents annually and for shorter terms, and for uploading XML bulk files.

Annual Filing For W-2s, W-2Gs, 1099-Rs, Oil And Gas Proceeds, Pass-Through Entities
To bulk file these annual forms, do the following:
1. Go to https://www.tax.newmexico.gov/forms-publications/.
2. Click **Publications**, **FYIs**, and then **300 Series-Income Taxes**.
3. Click **FYI-330 Income and Withholding Information Returns and Filing Methods** and go to the **MAGNETIC MEDIA** section.

Monthly, Quarterly, Semi-Annual Filing For Business Taxes
To bulk file these monthly, quarterly, or semi-annually forms, do the following:
1. Go to https://tap.state.nm.us.
2. Under **HELP**, click **View Our Tap Frequently Asked Questions (FAQs)**.
3. In the first row of tabs, click **Bulk**, and in the second row of tabs, click **General Information** or any of the program tabs.

NOTE: If you need more information about Business Taxes [Combined Fuel Tax (CFT), Compensating Tax (CMP), Governmental Gross Receipts Tax (GGR), Gross Receipts Tax (GRT), Interstate Telecommunications Gross Receipts Tax (ITG), Leased Vehicle Gross Receipts Tax and Surcharge (LVT), Non-wage Withholding Tax (NWT), and Wage Withholding Tax (WWT)], or Weight Distance Tax (WDT) bulk filing, call Combined Fuel Tax at (505) 827-0765, call Business Taxes at (505) 841-6352, or call Weight Distance Tax at (888) 683-2821 x4 x1.

MORE INFORMATION
If you have any questions or comments after reading this document, please send email correspondence to NMTax.Forms@state.nm.us.

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3   Full-field filled is a form with a character filling all possible locations and positions for variable data, for example, **9**s for numeric values and **X**s for alpha/numeric values.