

## CRS-1 INSTRUCTIONS FOR COLUMNS A THROUGH H

**Each report is due on or before the 25th of the month following the end of the tax period covered by the report.**

Businesses with more than three business locations, codes or lines of detail to report or those who wish to claim the Services for Resale Tax Credit should complete the CRS-1 Long Form instead of the regular CRS-1 Form. The CRS-1 Long Form is available on our web site at [www.tax.state.nm.us/](http://www.tax.state.nm.us/) and at your local district tax office.

**COLUMN A:** On separate lines enter the name of each municipality or county where you have a business location. The Gross Receipts Tax Rate Schedule has the listing of counties, municipalities and location codes for each. For more detail see FYI-200, "Your Business Location." **NOTE: Please be sure you are reporting YOUR location and not the location of your customer.** Report receipts for your business location(s) even when goods or services are delivered elsewhere. The only exceptions are:

- Construction. The location is the construction site;
- Real estate sales. The location is the site of each property sold;
- Telecommunications. The location is the customer's receiver. For cellular telephone service the business location is the customer's place of primary use.
- Utilities. The location is the meter recording the amount of service the customer consumes.
- Transactions on the territory of an Indian tribe, pueblo or nation that has entered into a cooperative agreement with the Taxation and Revenue Department. The location is where services are performed and property is delivered.

Businesses without locations or resident sales personnel in New Mexico enter "out of state."

Governments reporting governmental gross receipts enter "GGRT."

Businesses reporting leased vehicle gross receipts tax use "LVGRT." Enter "LVSur" for the leased vehicle surcharge.

**COLUMN B:** Enter the Special Code from the table below. *Do not use these codes unless they apply to you.*

Industry	Special Code
Transportation	S
Interstate Telecommunications	T
Certain Health Care Practitioners <sup>1</sup>	M
Food Retailer <sup>2</sup>	F

These codes alert the department's computer to a special rate or distribution requirement that may apply to your industry or to the type of deduction you are taking.

Special reporting instructions apply to interstate telecommunication companies and transportation companies. Contact the department or your local district office. Request publications FYI-403 and FYI-290 or view them online at [www.tax.state.nm.us/](http://www.tax.state.nm.us/).

**COLUMN C:** Enter Location Code from Gross Receipts Tax Rate Schedule. Please check that the location code corresponds to the municipality or county listed in Column A. Generally, the out-of-state Location Code is 88-888, but report under Location Code 77-777 all receipts from performing research and development services outside New Mexico the product of which is initially used in New Mexico. Use Location Code 55-055 for governmental gross receipts tax (only a government agency can use this code), 44-444 for leased vehicle gross receipts tax, and 44-455 for leased vehicle surcharge.

**NOTE:** Each line of the CRS-1 or the CRS-1 Long Form **must** have an entry for

<sup>1</sup> Only licensed health care practitioners reporting deductions under Section 7-9-93 NMSA 1978 use this special code. All other receipts reported by licensed health care practitioners should **not** show a special code in Column B. Use a separate line for other types of medical deductions. For more information on who qualifies for the special code M deduction, please see FYI-202.

<sup>2</sup> Only food retailers reporting deductions under Section 7-9-92 NMSA 1978 use this special code. Do NOT claim deductions for federal food stamp sales paid for with food cards. Not all food retailers qualify for the special code F deduction. For more information on who qualifies, please see FYI-201.

Columns A and C. The exception is Column B. *Place an entry in Column B only if a special code applies to your receipts.* Leave no blanks in Columns A or C even if the information in them is identical to the line above.

**COLUMN D:** there are seven kinds of receipts reported on the CRS-1 Form or CRS-1 Long Form:

- "Regular" Gross Receipts is the total amount of money plus the monetary value of other consideration received from four kinds of transactions: selling property in New Mexico (including intangible personal property); leasing property used in New Mexico; performing services in New Mexico, or performing research and development services out of state when initial use of the product of the research and development service occurs in New Mexico;
- Governmental Gross Receipts are receipts of governments from selling tangible personal property and performing specified services;
- Interstate Telecommunications Gross Receipts are receipts of interstate telecommunications companies from providing interstate telecommunications services that originate or terminate in New Mexico or that are charged to a telephone or account in New Mexico;
- Tribal/Pueblo Gross Receipts are receipts of tribal entities that are collected by the department when the entity has entered into a cooperative agreement with the tribe or pueblo;
- Leased Vehicle Gross Receipts are receipts from the short-term rental of passenger automobiles that are part of a fleet of five or more vehicles;
- Leased Vehicle Surcharge is the total due at \$2 per day that each vehicle subject to the leased vehicle gross receipts tax is rented. *Carry the leased vehicle surcharge directly to Column H. Columns E, F & G should be left blank,* and
- Gross receipts that require a special code (other than Interstate Telecommunications Gross Receipts). Such receipts are for transportation (see FYI-290) and qualifying receipts for food (see FYI-201) and medical (see FYI-202) transactions.

For Column D there are two types of entry:

1. For receipts that do not need special codes, enter taxable gross receipts and deductible gross receipts. Do not enter qualifying food, medical and transportation deductions that must be reported with a special code. *Leave Column B blank.*
2. For qualifying food and medical deductions and transportation receipts needing special codes, make a separate entry for each business location and each special code. Enter the appropriate special code in Column B. See Column B instructions above.

Excluded from gross receipts totals are gross receipts tax, governmental gross receipts tax and leased vehicle gross receipts tax. These amounts do not appear in Column D.

**COLUMN E:** A taxpayer must maintain in his possession a nontaxable transaction certificate (NTTC) or other acceptable evidence or documentation for each deduction claimed in this column. Deductions cannot exceed gross receipts reported in Column D for the same location. **Business expenses are not deductible from gross receipts.** For a listing of available deductions, please see FYI-105: Gross Receipts and Compensating Taxes: An Overview available online at [http://www.tax.state.nm.us/trd\\_pubs.htm](http://www.tax.state.nm.us/trd_pubs.htm).

Taxpayers reporting deductions under the special codes "M" (medical) and "F" (food) must report them separately from other deductible and taxable receipts. Deductible receipts with the "M" and "F" codes stand alone on separate lines of the CRS-1 Form. Use another line for all other gross receipts as usual, but leave Column B blank. **Food retailers do NOT enter on the CRS-1 Report any receipts for sales paid for by federal food cards.**

**COLUMN F:** Column D minus Column E. This amount can never be less than zero.

**COLUMN G:** Enter the rate from the Gross Receipts Tax Rate Schedule or a special tax rate if you entered "S" or "T" in Column B. See the instructions for Column B.

**COLUMN H:** Enter Gross Receipts Tax Due for each line of detail by multiplying Column F by Column G. Enter total of Column H on Line 1. If you are filing the CRS-1 Long Form (including any supplemental pages), enter on line 1 the total of Column H from all pages.

**Amended Report:** Check if amending a previously filed return.

**Payment via Automated Clearinghouse Deposit or Federal Wire Transfer:** Check appropriate box and enter date of transfer.

**TAX PERIOD:** Enter the dates for which the tax is reported, not the month the payment is made. The tax period should be monthly, quarterly or semiannually, according to the filing frequency listed on your Registration Certificate.

*Provide your CRS ID number and telephone number.*

**CRS-1 INSTRUCTIONS FOR LINES 1 - 7**

**LINE 1: GROSS RECEIPTS TAX.** Complete Columns A through H and enter the Column H total on Line 1 (includes amounts of governmental gross receipts tax, interstate telecommunications gross receipts tax, leased vehicle gross receipts tax and leased vehicle surcharge). Be sure to include the total from Column H from the CRS-1 Long Form and any supplemental pages you may be required to file.

**LINE 2: COMPENSATING TAX.** Take 5% of the value of:

(1) property acquired or purchased outside New Mexico and brought into this state for use;

(2) property or services acquired or purchased for nontaxable use and then used by the buyer (Example: A retailer delivers a nontaxable transaction certificate to purchase items for resale. The retailer removes items from inventory for personal use. Compensating tax is due on the value of these items);

(3) manufactured property used by the manufacturer.

**LINE 3: WITHHOLDING TAX.** Every employer doing business in New Mexico or deriving income from within New Mexico who pays wages or other remuneration to an employee *and* who is required to withhold federal income tax must withhold New Mexico income tax. In addition, operators of gambling establishments must, on behalf of the state, withhold 6% from winnings if required to withhold for federal purposes. Gaming operators must include copies of IRS Forms 1099, W2-G or 1042S. Withholding Tax Tables are included in the CRS-1 Filer's Kit, or you may view them online at [www.tax.state.nm.us/](http://www.tax.state.nm.us/). Use Line 3 only to report tax withheld from wages and gambling winnings.

**LINE 4: TOTAL TAX DUE.** Add Lines 1, 2 and 3.

**LINE 5: PENALTY.** Penalty is applied for failure to pay or file on time. Prior to January 1, 2008, penalty is calculated at a rate of 2% of Line 4 per month or partial month (any fraction of a month is a full month) the payment is late, up to 10% of the tax due or a minimum of \$5.00, whichever is greater.

After January 1, 2008, penalty is calculated at the same monthly rate and in the same manner but the maximum amount of penalty that can be imposed increases to 20% of the tax due or a minimum of \$5.00, whichever is greater.

THE MINIMUM \$5.00 PENALTY ALSO IS IMPOSED FOR FAILURE TO FILE THIS REPORT EVEN IF NO TAX IS DUE. See FYI-401 for special payment methods for Automated Clearinghouse (ACH) taxpayers.

**NOTE:** Penalty is calculated on the outstanding tax due balance. Any outstanding tax that originated prior to January 1, 2008, may still be subject to the 20% penalty threshold effective January 1, 2008.

**LINE 6: INTEREST.** Prior to January 1, 2008, calculate interest at .041% of Line 4 for each day the payment is late. The formula is:

$$\text{Tax Due} \times .00041 \times \text{Number of Days Late} = \text{Interest Due}$$

Example: Taxpayer's tax due on Line 4 is \$1,000. The payment is five days late. To calculate interest, multiply \$1,000 by .041% (.00041). The result is \$.41, which is the interest due for one day. Multiply \$.41 by five (the number of days the

payment is late). The interest is \$2.05. Enter this amount on Line 6.

$$\$1,000 \times .00041 \times 5 = \$2.05$$

**NOTE:** You are not liable for interest if the total interest is less than \$1.00.

After January 1, 2008, interest continues to be calculated daily but the rate will be set at the rate established for individual income tax purposes by the U.S. Internal Revenue Code (IRC). The interest rate changes on a quarterly basis. Please visit the department web site at [www.tax.state.nm.us](http://www.tax.state.nm.us) for information on the current quarterly and daily rate.

**LINE 7: TOTAL AMOUNT DUE.** Add Lines 4, 5 and 6. Pay this amount. A CRS payment should not be combined on the same check or money order with any other tax or fee paid to the department. See below for mailing address.

If you prefer, you may file and pay your CRS taxes online by going to our web site at [www.tax.state.nm.us/](http://www.tax.state.nm.us/). Choose "electronic services." Select "CRS-NET" and follow the prompts. If you have never filed electronically, the department will have to set up your account using an extra step. First-time CRS-NET filers should e-mail us at [poffice@state.nm.us](mailto:poffice@state.nm.us). Include your 11-digit CRS identification number. The process is quick and easy once you have been added to the database.

**NOTE:** The following tax credits may be taken against tax programs that are reported on the CRS-1 or CRS-1 Long forms. Please note there are additional forms that must be completed to apply for and claim these credits. You may request these forms from your local district tax office or online at [www.tax.state.nm.us/](http://www.tax.state.nm.us/).

Tax Credit	Claimed Against	Form Requirements
Advanced Energy Tax Credit	Gross Receipts, Compensating and Withholding Taxes	RPD-41335; RPD-41334
Affordable Housing Tax Credit	Gross Receipts, Compensating and Withholding Taxes	RPD-41301
Biodiesel Blending Facility Tax Credit	Gross Receipts and Compensating Taxes	RPD-41339; RPD-41321
Double Local Option Tax Penalty Credit	Gross Receipts, Compensating and Withholding Taxes	RPD-41328
High-Wage Jobs Tax Credit	Gross Receipts, Compensating, Withholding Taxes and Interstate Telecommunications GRT	RPD-41288; RPD-41290
Hospital Credit	Gross Receipts Tax	RPD-41324
Investment Credit	Gross Receipts, Compensating and Withholding Taxes	RPD-41167; RPD-41168; RPD-41212
Laboratory Partnership with Small Business Tax Credit	Gross Receipts Tax	None.
Research & Development Small Business Tax Credit	Gross Receipts, Compensating and Withholding Taxes	RPD-41297; RPD-41298
Rural Job Tax Credit	Gross Receipts, Compensating and Withholding Taxes	RPD-41238; RPD-41243
Service for Resale Tax Credit	Gross Receipts Tax	RPD-41300
Technology Jobs Tax Credit	Gross Receipts, Compensating and Withholding Taxes	RPD-41239; RPD-41244
Unpaid Doctor Services Credit	Gross Receipts, Compensating and Withholding Taxes	RPD-41323

**NOTE:** If you are reporting receipts that are deductible under the Gross Receipts Tax Holiday deduction, you will also need to complete form RPD-41299 and attach it to your CRS-1 form. You can request the form RPD-41299 from your local district tax office or online at [www.tax.state.nm.us/](http://www.tax.state.nm.us/).