

State of New Mexico - Revenue Processing Division

**NEW MEXICO CAPITAL EQUIPMENT TAX CREDIT
ANNUAL REPORT**

Annual Reports are to be completed and mailed by the last day of April following the end of the calendar year.

Mail this form to: Taxation and Revenue Department
Administrative Resolutions and Services Bureau, CRS Section
P.O. Box 630
Santa Fe, NM 87504-0630

Name of Business	CRS Identification Number
Mailing Address	City/ State/ Zip
Name of Contact Person	Phone Number

Every eligible call center claiming the capital equipment tax credit shall report annually to the Department for the prior calendar year.

A. Total value of capital equipment purchased during the reporting calendar year	A	\$
B. Total amount of tax credit claimed (total of all claims to date)	B	\$
C. Value of the call center facility for property tax purposes for the year	C	\$

The total value over three years of capital equipment purchased for use in the call center must total at least two hundred fifty thousand dollars (\$250,000) for a call center located in a rural area.

If the call center is an expansion of an existing call center facility, the expansion must also result in an increase of not less than twenty percent (20%) in the value of the call center facility for property tax purposes over three years, beginning with the first year for which the credit is claimed.

NOTE: If after claiming a tax credit pursuant to the Capital Equipment Tax Credit Act, the call center no longer meets the requirements of the Capital Equipment Tax Credit Act for qualifying as an eligible call center, the taxpayer who owns or operates the business is liable for repayment of an amount of the credit claimed pursuant to that act. (See "Liability for Repayment of Tax Credits Claimed" on reverse side.)

Signature of Taxpayer or Agent

Date

Phone Number

NEW MEXICO CAPITAL EQUIPMENT TAX CREDIT ANNUAL REPORT INSTRUCTIONS

Call centers claiming the capital equipment tax credit must file an annual report with the Department. The report is due on or before April 30 of the year following the end of each calendar year in which the credit is claimed. If the credit is based on the value of capital equipment purchased in years for which no report was filed, an annual report for those years shall be submitted with the annual report for the current year.

Example 1:

- 1999 A new call center locates in New Mexico in October 1999 and purchases \$150,000 of capital equipment.
- 2000 The call center purchases an additional \$100,000 of capital equipment. The call center is approved for a capital equipment tax credit on the \$250,000 of equipment purchased during 1999 and 2000.
- 2001 The call center claims the tax credit against the gross receipts, compensating and withholding taxes reported on its monthly CRS-1 returns.

Annual report forms for the calendar years 1999, 2000 and 2001 are due April 30, 2002.

Example 2:

- 1999 A new call center locates in New Mexico in October 1999 and purchases \$150,000 of capital equipment.
- 2000 The call center purchases an additional \$50,000 of capital equipment and is approved for a capital equipment tax credit on the \$200,000 of equipment purchased during 1999 and 2000. The call center first claims the tax credit on its November 2000 CRS-1 report.
- 2001 The call center purchases an additional \$80,000 of capital equipment and is approved for a capital equipment tax credit on this amount. The call center continues to claim the tax credit on its monthly CRS-1 reports.

Annual report forms for the calendar years 1999 and 2000 are due April 30, 2001. An annual report form for the calendar year 2001 is due April 30, 2002.

ANNUAL REPORT LINE INSTRUCTIONS

- A. Enter the total value of capital equipment purchased during the reporting calendar year. The value of the capital equipment is the price paid for eligible equipment excluding tax.
- B. Enter the total amount of tax credits claimed (total of all claims to date). The total amount of tax credits claimed for purposes of this report is the total amount of approved capital equipment tax credits that were applied against CRS-1 reports during the reporting calendar year. If no credits were claimed, enter zero.
- C. Enter the value of the call center facility for property tax purposes for the calendar year. Enter the call center property tax valuation as of December 31st of the reporting calendar year and attach a copy of the valuation.

LIABILITY FOR REPAYMENT OF TAX CREDITS CLAIMED

If, after claiming the tax credit pursuant to the Capital Equipment Tax Credit Act, the call center no longer meets the requirements of the Act, the call center is closed, or the capital equipment for which the tax credit was claimed is moved from the call center before it has been fully depreciated, the taxpayer who claimed the credit may be liable for repayment. See Section 7-9D-8 NMSA 1978 for schedule of repayments.