NOTICE OF PROPOSED RULEMAKING

The New Mexico Taxation and Revenue Department hereby gives notice as required under Section 14-4-5.2 NMSA 1978 and 1.24.25.11 NMAC that it proposes to repeal and replace the following rules pertaining to the Taxation and Revenue Department Act, as authorized by Section 6-5-19 NMSA 1978. The State Records Center and Archives Administrative Law Division is requiring a repeal and replace of the entire regulation part Title 3: Taxation, Chapter 1: Tax Administration, Part 2: Promulgation of Regulations in order to make this amendment, citing Regulation Subsection C of 1.24.11.9 NMAC.

Summary of Proposed Changes:
The New Mexico Taxation and Revenue Department proposes to repeal and replace the following rules:

Taxation and Revenue Department Act:

Title 3: Taxation, Chapter 1: Tax Administration, Part 2: Promulgation of Regulations
3.1.2.1 - Issuing Agency
3.1.2.2 - Scope
3.1.2.3 - Statutory Authority
3.1.2.4 - Duration
3.1.2.5 - Effective Date
3.1.2.6 - Objective
3.1.2.7 - Definitions: [Reserved]
Section 9-11-6.2 NMSA 1978
3.1.2.8 - Rulings General
3.1.2.9 - Hearing For Proposed Regulations
Section 9-11-12.1 NMSA 1978
3.1.2.10 - Cooperative Agreement; Rate Changes; Effective Date
3.1.2.11 - Secretary May Designate Reporting Requirements Of Some Receipts

Technical Information:
No technical or scientific information was consulted in drafting these proposed rule changes.

Purpose of Proposed Rule:
The proposed rules are being amended and enacted to align the regulations with the passage of House Bill 291 in the 2026 legislative session that amended Section 9-11-12.1 NMSA 1978. This legislative and regulation change aligns the submittal of any ordinance of a tribe imposing, amending or repealing a tax administered by the Taxation and Revenue Department to the same due dates and requirements for local governments. Ordinances are required to have an effective date of July 1, or January 1 if the governor declares a state of emergency or if there is an unforeseen occurrence that would cause hardship for the tribe.

The regulations pertaining to Department rulings are updated to reflect current statute and Department processes.

Notice of Public Hearing:
A public hearing will be held on the proposed rule changes on Thursday, August 27, 2026, from 1PM to 2PM at the 3rd floor in the Montoya Building, 1100 South St. Francis Drive, Santa Fe, New Mexico 87504. The hearing will be recorded, and oral comments can be made during the public hearing. Written comments can be submitted as outlined at the end of this notice.

Virtual meeting access is available using Microsoft Teams:
https://teams.microsoft.com/meet/231637413498714?p=t9nSpGsSs4G4gt3Zyr
Meeting ID: 231 637 413 498 714
Passcode: sC9a2Fc7
Dial in by phone 1-505-312-4308

Conference ID: 972 727 80#

The rule proposals were placed on file in the Office of the Secretary on July 13, 2026. Pursuant to Regulation 3.1.2.9 NMAC under Section 9-11-6.2 NMSA 1978 of the Taxation and Revenue Department Act, the final of the proposals, if filed, will be filed as required by law on or about September 22, 2026.

Individuals with disabilities who need any form of auxiliary aid to attend or participate in the public hearing are asked to contact the Tax Information and Policy Office at policy.office@tax.nm.gov. The Taxation and Revenue Department will make every effort to accommodate all reasonable requests but cannot guarantee accommodation of a request that is not received at least ten calendar days prior to the scheduled hearing.

Copies of the proposed rules:
Are located at: https://www.tax.newmexico.gov/all-nm-taxes/proposed-regulations-hearing-notices/ or are available upon request by contacting the Tax Policy Office at policy.office@tax.nm.gov.

Notice of Acceptance of Written Public Comment:
Written comments on the proposals can be submitted by email to policy.office@tax.nm.gov or by mail to the Taxation and Revenue Department, Tax Information and Policy Office, Post Office Box 630, Santa Fe, New Mexico 87504-0630 on or by 5PM on Thursday, August 27, 2026.

All written comments received by the agency will be posted on https://www.tax.newmexico.gov/all-nm-taxes/proposed-regulations-hearing-notices/ no more than three business days following receipt to allow for public review.