

**FORTY-FIFTH LEGISLATURE  
FIRST SESSION, 2001**

February 14, 2001

**Mr. Speaker:**

**Your TAXATION AND REVENUE COMMITTEE, to whom has been referred**

**HOUSE BILL 252**

**has had it under consideration and reports same with recommendation that it DO PASS, amended as follows:**

1. On page 7, between lines 9 and 10, insert the following subsection:

"I. "managed audit" means a review and analysis conducted by a taxpayer under an agreement with the department to determine the taxpayer's compliance with the Gross Receipts and Compensating Tax Act and local option gross receipts taxes and the presentation of the results to the department for assessment of tax found to be due;".

2. Reletter the succeeding subsections accordingly.

3. On page 23, line 13, strike the closing quotation mark and between lines 13 and 14, insert the following subsection:

"E. The secretary or the secretary's delegate shall develop and maintain written audit policies and procedures for all audit programs in which the department routinely conducts field audits of taxpayers, including policies and procedures concerning audit notification, scheduling, records that may be examined, analysis that may be done, sampling procedures, gathering information or evidence from third parties, policies concerning the rights of taxpayers under audit and related matters. Department audit policies and procedures shall be made available to a person who requests them, at a reasonable charge to defray the cost of preparing and distributing those policies and procedures. Nothing in this section shall be construed to require the department to provide information that is confidential pursuant to Section 7-1-8 NMSA 1978, nor shall the department be required to provide information concerning how taxpayers are selected for audit."".

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4. On pages 23 through 29, strike Section 5 in its entirety.

5. Renumber the succeeding sections accordingly.

Respectfully submitted,

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Donald L. Whitaker, Chairman

Adopted \_\_\_\_\_  
(Chief Clerk)

Not Adopted \_\_\_\_\_  
(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 12 For 0 Against

Yes: 12

Excused: Begaye, Hanosh, Lujan, Silva

Absent: None

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