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HOUSE BILL 828

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY

Roberto "Bobby" J. Gonzales

AN ACT

RELATING TO TAXATION; PERMITTING THE TAXATION AND REVENUE DEPARTMENT TO INFORM A LICENSING BODY OF A LICENSEE'S FAILURE TO FILE OR PAY TAXES AND OTHER RELEVANT TAXPAYER INFORMATION FOR USE IN DISCIPLINARY PROCEEDINGS; PROVIDING FOR SUSPENSION OR REVOCATION OF PROFESSIONAL OR OCCUPATIONAL LICENSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Tax Administration Act is enacted to read:

"NEW MATERIAL DEPARTMENT POWER TO INFORM LICENSING BODY OF FAILURE TO FILE RETURN OR PAY TAX.--

A. When a licensee does not file the licensee's income tax return or the return of any other state or local tax administered pursuant to the Tax Administration Act for which the licensee is responsible, or for which the licensee is

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1 deemed by the department to be responsible for filing, or does
2 not pay a settled tax liability for which the licensee is
3 responsible or for which the licensee is deemed by the
4 department to be responsible for paying, the department may
5 notify the licensing body of the identity of the taxpayer, the
6 taxes involved and the failure of the taxpayer to file or to
7 pay and may request the body to initiate disciplinary
8 proceedings. If the licensing body initiates disciplinary
9 proceedings, the department may reveal to the body additional
10 relevant information for use in the proceedings.

11 B. For the purposes of this section:

12 (1) "licensee" means a person licensed
13 pursuant to a provision of Chapter 60 NMSA 1978 or licensed
14 pursuant to Chapter 61 NMSA 1978; and

15 (2) "settled tax liability" means a tax
16 liability of the licensee of one thousand dollars (\$1,000) or
17 more established pursuant to the Tax Administration Act that
18 has not been protested within the time limits prescribed by
19 Section 7-1-24 NMSA 1978 or, if protested, has been decided
20 against the licensee in a decision that may not be appealed or
21 for which the time to appeal has expired."

22 Section 2. A new section of the Construction Industries
23 Licensing Act is enacted to read:

24 "[NEW MATERIAL] GROUNDS FOR DENIAL, SUSPENSION OR
25 REVOCATION OF LICENSE.--

.163785.4

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1 A. In addition to grounds specified in any other
2 section of Chapter 60, Article 13 NMSA 1978 or grounds
3 specified by the division or the commission, the failure or
4 refusal of a licensee to file the licensee's income tax return
5 or other state or local tax return for which the licensee is
6 responsible, or for which the licensee is deemed by the
7 taxation and revenue department to be responsible for filing or
8 to pay a settled tax liability owed by the licensee, or for
9 which the licensee is deemed by the taxation and revenue
10 department to be responsible for paying, is grounds for the
11 denial, suspension or revocation of the licensee's license.
12 Discovery of the failure or refusal shall be deemed to occur on
13 the date the division or commission is notified of the failure
14 or refusal by the agency responsible for administering the tax.

15 B. For the purposes of this section, "settled tax
16 liability" means, for taxes and tax acts administered pursuant
17 to the Tax Administration Act, a tax liability of the licensee
18 of one thousand dollars (\$1,000) or more established pursuant
19 to the Tax Administration Act that has not been protested
20 within the time limits prescribed by Section 7-1-24 NMSA 1978
21 or, if protested, has been decided against the licensee in a
22 decision that may not be appealed or for which the time to
23 appeal has expired."

24 Section 3. A new section of the Uniform Licensing Act is
25 enacted to read:

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1 "[NEW MATERIAL] GROUNDS FOR DENIAL, SUSPENSION OR
2 REVOCATION OF LICENSE.--

3 A. In addition to grounds specified in any other
4 article of Chapter 61 NMSA 1978 or grounds specified by action
5 of a board, the failure or refusal of a licensee to file the
6 licensee's income tax return or other state or local tax return
7 for which the licensee is responsible, or for which the
8 licensee is deemed by the taxation and revenue department to be
9 responsible, or to pay a settled tax liability owed by the
10 licensee, or for which the licensee is deemed by the taxation
11 and revenue department to be responsible for paying, is grounds
12 for the denial, suspension or revocation of the licensee's
13 license. Discovery of the failure or refusal shall be deemed
14 to occur on the date the board is notified of the failure or
15 refusal by the agency responsible for administering the tax.

16 B. For the purposes of this section, "settled tax
17 liability" means, for taxes and tax acts administered pursuant
18 to the Tax Administration Act, a tax liability of the licensee
19 of one thousand dollars (\$1,000) or more established pursuant
20 to the Tax Administration Act that has not been protested
21 within the time limits prescribed by Section 7-1-24 NMSA 1978
22 or, if protested, has been decided against the licensee in a
23 decision that may not be appealed or for which the time to
24 appeal has expired."

25 Section 4. EFFECTIVE DATE.--The effective date of the
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1 provisions of this act is July 1, 2007.

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