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GOP Rep. Powdrell-Culbert Calls for GRT Deferral During COVID-19 Crisis in New Mexico

Corrales, NM– The New Mexico Taxation and Revenue Department announced recently that it was granting a time extension until July 25, 2020 for small businesses to file tax returns and payments for Gross Receipt Taxes (GRT) collections and other withheld taxes. While this time extension is well-intended, it provides no significant tax relief for these struggling small businesses as they are still required to file and pay their GRT and other withholding taxes in the near term on a slightly modified schedule. Today, Representative Jane Powdrell-Culbert (R-Corrales) delivered a letter to the Governor Lujan Grisham asking for real relief for NM’s small business community by proposing a three-month tax deferral for Gross Receipt Taxes and other withheld taxes that does not require legislative approval.

The letter requests the administration to defer NM GRT and withholding payments due the first quarter of 2020 for 90-days. The proposal calls for 2020 quarterly GRT and withholding payments to be made on three dates: first quarter payment on July 25, 2020, second quarter payment on October 25, 2020 and the third and fourth quarter payments on January 25, 2021. For those small businesses who pay their GRT and other withheld taxes on a monthly basis, the proposal would allow March payments to be made on July 25, 2020, April payments would be made on August 25, 2020, and so forth until October, November and December payments would be due on January 27, 2021. In both cases, the payments due on January 25, 2021 would ensure these small businesses would be completely caught up in fulfilling their calendar year 2020 GRT and other withheld tax liability. The deferment of these payments will alleviate the financial stress that New Mexico small businesses and independent contractors are facing during the COVID-19 crisis as it would give them time to rebuild their businesses and create needed cash flow.

“New Mexicans are counting on our government to help them through this crisis, if our government can carry some of that burden then we must,” said Rep. Powdrell-Culbert, “As New Mexicans continue to stay home and wrap their minds around this crisis, I am committed to doing all that I can to bring them some peace of mind as we pick up and move forward to a better tomorrow.”

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