



New Mexico Legal Aid, Inc.

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Frequently Asked Questions: Filing 2022 Taxes after April 18, 2023

Q1. Is it better to file late or not to file at all?

A1. Generally, filing late is much better than not filing at all. Most lower-income taxpayers will get a large refund or “return” if they file.

Your 2022 IRS Form 1040

- **Earned income tax credit.**
 - If you worked in 2022, claiming the EITC can mean a refund of up to \$6,935 for those with qualifying children **age 18 or under** (as of the end of 2022). No children? Your EITC may be as much as \$560.
- **Child tax credit and “additional” child tax credit.**
 - Available to those with “qualifying children” **age 16 or under** (as of the end of 2022).
 - The child tax credit can reduce your tax by up to **\$2,000** per child.
 - If you can’t get the full benefit of the child tax credit (for example, you don’t owe tax), you may receive an “additional” child tax credit of up to **\$1,500** per child, depending on your earnings.
- **Excess withholding.** If your tax withheld in 2022 is more than your final tax liability, you will get that excess only if you file.

Your 2022 New Mexico PIT-1

- **New Mexico 2022 Rebate.** You will receive a 2022 New Mexico rebate (\$500 for singles, \$1,000 for marrieds and heads of households) automatically **if you file a 2021 PIT-1**. See *Frequently Asked Questions, Filing for 2019, 2020 and 2021*.
- **NM Working Families Tax Credit** is based on earned income and is equal to 20% of your federal EITC. It is available to NM residents with either SSNs or ITINs.
- **NM Low-Income Comprehensive Tax Rebate (“LICTR”).** If you are a NM resident and your “modified gross income” is \$36,000 or less, you may be eligible to receive up to \$730 as a refund.
- **Other reasons to file:**
 - You can use your filed income tax return to prove your income to social services agencies, schools and colleges.
 - Immigration officials check your tax return filing history.
 - By filing, you create a record of earnings for future social security benefits.

Q2. Do I need to get an extension in order to be able to file now?

A2. You don’t need an extension to file—and, in fact, it’s too late to get one now. (April 18, 2023 was the deadline.)

- An extension to file is not an extension to pay.

Q3. Can I still get my taxes prepared for free?

A4. Yes.

- Free do-it-yourself 2022 federal tax filing software is available at www.irs.gov/filing/free-file-do-your-federal-taxes-for-free through October 16, 2023.
- For those in Central New Mexico, Tax Help New Mexico is available to prepare 2022, 2021 and 2020 returns. Beginning July 5, 2023, you can schedule an appointment for the first in-person tax preparation event on July 19. Call **505-750-3885** to schedule an appointment and ask about other available dates. Appointment scheduling and other information may also be available at www.Taxhelpnm.org.

- You can also file your New Mexico return by using the Taxpayer Access Point system: [https://tap.state.nm.us/ /](https://tap.state.nm.us/)

Q4. I didn't file an extension on or before April 18, 2023. Will there be penalties for filing late? What about interest?

A4. There are separate penalties for filing late and paying late.

- If you owe tax, you should **file as quickly as possible** to minimize those penalties.
 - An “extension” only extends the time to file. It does not extend the time to pay.
 - *If you will be getting a refund, there is no penalty for filing late.*

For personal income tax due the IRS

- A special minimum failure to file penalty of \$450 may apply.
- The late-filing penalty for the IRS is 5% of your unpaid taxes; the late payment penalty is .5% of the tax due.
- If you owe both **file** late and **pay** late, the combined penalties are capped at 25% of your unpaid taxes. Unfortunately, there is no limit on interest charges.
- Interest on unpaid IRS tax is currently 7%.

For personal income tax due New Mexico

- New Mexico combines the late payment penalty and the late filing penalty. The combined penalty is 2% of the tax due (up to a maximum of 20% of the unpaid tax).
- Interest on unpaid balances is currently 7%.

For questions, contact Grace Allison at the New Mexico Legal Aid Low Income Taxpayer Clinic, 505-768-6134.

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