

State of New Mexico - Taxation and Revenue Department

CERTIFICATION OF ELIGIBILITY FOR THE VETERAN EMPLOYMENT TAX CREDIT

Who May Use This Form. Form RPD-41370, *Certification of Eligibility for the Veteran Employment Tax Credit*, is to be used by eligible employers to certify that an employee, included in an application for Veteran Employment Tax Credit, is a qualified military veteran and that the employer is eligible to claim the credit for the wages paid to the veteran during the qualified period of employment.

To apply for the credit you must complete Form RPD-41371, *Application for Veteran Employment Tax Credit*, and attach a Form RPD-41370, *Certification of Eligibility for the Veteran Employment Tax Credit*, for each qualified military veteran included in the total credit which is summarized on the application, Form RPD-41371. An application can include multiple certifications for multiple qualified military veterans for the tax year of the application. Submit the application and certifications to the Taxation and Revenue Department for approval prior to claiming the credit. Once approved, you may claim the credit against your personal or corporate income tax due by attaching Form RPD-41372, *Veteran Employment Tax Credit Claim Form*, to the tax return for the tax year in which you employ the qualified military veteran. The amount of the approved veteran employment tax credit that exceeds your income tax or corporate income tax liability in the taxable year in which the credit is claimed will not be refunded, but may be carried forward for up to three years.

For information on the status of an application, call (505) 827-0792.

Name of eligible employer _____	New Mexico Business Tax Identification Number (NMBTIN) _____
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Qualification Information

1. Enter the employer's tax year in which the eligible employment took place. _____ through _____
If the veteran was employed across multiple tax years, complete a certifications for each tax year. (mm-dd-ccyy) (mm-dd-ccyy)
2. Enter the name and social security number of the eligible military veteran exactly as it appears on the DD Form 214.
Name: _____ SSN: _____
3. Enter the date the qualified military veteran was honorably discharged from the U.S. military. _____
Attach a copy of the veteran's DD Form 214 showing the date of the honorable discharge from a branch of the United States military. (mm-dd-ccyy)
4. Enter the date the qualified military veteran was hired by the employer. _____
(mm-dd-ccyy)
5. Enter the **qualified period of employment** during the tax year. (See the instructions.) _____ through _____
(mm-dd-ccyy) (mm-dd-ccyy)
6. Was the veteran employed by the eligible employer prior to the veteran's deployment? Yes No

Compute the Veteran Employment Tax Credit

7. Determine the number of days the veteran was employed during the tax year of this claim. _____
The tax year of this claim is indicated on line 1.
8. The number of days in the tax year of this claim. _____
Most full-year filers, enter 365 or 366 for a leap year. Short-year filers, enter the number of days of the short-year return.
9. Divide line 7 by line 8. Calculate the percentage to 3 decimal places. _____
If the number in lines 7 and 8 are the same number, enter "1.000".
10. Multiply line 9 by \$1,000. This is the total veteran employment tax credit allowed for this employee for this tax year. Include this amount on RPD-41371, *Application for Veterans Employment Tax Credit*. \$ _____

I certify that: (Mark the boxes that apply and complete the required information.)

11. the person named on Line 2 of this form is a qualified military veteran as defined in Sections 7-2-18.28 or 7-2A-27 NMSA 1978 (see instructions), and
12. the qualified military veteran was employed by the applicant, for at least 40 hours per week, in New Mexico during the qualified period of employment shown on line 5.

Under penalty of perjury I declare that I have examined this application and attachments, and to the best of my knowledge and belief it is true, correct and complete.

Signature of applicant _____ Date _____

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INSTRUCTIONS**

ABOUT THIS TAX CREDIT

For tax years beginning on or after January 1, 2012, but not after December 31, 2016, a taxpayer who employs a qualified military veteran for at least 40 hours per week, in New Mexico is eligible for a credit against the taxpayer's personal or corporate income tax liability for up to \$1,000 for wages paid to each qualified military veteran. If the veteran's qualified period of employment is less than a full year, the credit for that year is reduced based on the ratio of the qualified period of employment over the full tax year of the employer.

- An employer may not receive the credit for any individual qualified military veteran for more than one calendar year from the date of hire.
- Multiple employers may not receive a credit for more than one year combined for the same qualified military veteran.
- Only one employer may receive the credit for a specific veteran during a tax year.
- The date of discharge may not exceed two years from the date the employer hired the military veteran.
- The veteran employment tax credit is only allowed for the employment of a veteran who was not previously employed by the taxpayer prior to the individual's deployment.

That portion of a veteran employment tax credit approved by Taxation and Revenue Department (TRD) that exceeds a taxpayer's income tax liability in the tax year in which the veteran employment tax credit is claimed may not be refunded to the taxpayer, but may be carried forward for up to three years. The veteran employment tax credit may not be transferred to another taxpayer.

Married individuals filing separate returns for a tax year for which they could have filed a joint return, each may claim only one-half of the veteran employment tax credit that would have been claimed on a joint return.

ATTACHMENTS

The taxpayer must provide a copy of the qualified military veteran's DD Form 214, *Certificate of Release or Discharge from Active Duty*, or other evidence acceptable to the Department. The document must show the date the military veteran was honorably discharged from a branch of the United States military. Evidence other than the qualified military veteran's DD Form 214 should be approved through the Department before submitting the application. The Department may request additional information establishing that the employee is a qualified military veteran.

HOW TO COMPLETE THIS FORM

Complete all information requested. Enter the name and the New Mexico Business Tax Identification Number (NMBTIN) of the employer. This must be the same name and number on Form RPD-41371, *Application for Veteran Employment Tax Credit*.

NOTE: *When an entry requires a date*, enter the date using a two-digit month and day and a four-digit year (mm/dd/ccyy).

Qualification Information

1. Enter the employer's tax year in which the eligible employment took place. Enter the first day of the tax year and the last day of the tax year.
2. Enter the name and the social security number of the eligible military veteran employed, exactly as the name and social security number appears on the qualified military veteran's DD Form 214.
3. Enter the date the qualified military veteran was **honorably** discharged from a branch of the United States military. Attach a copy of the veteran's DD Form 214, *Certificate of Release or Discharge from Active Duty*.
4. Enter the date the employer hired the qualified military veteran.
5. Enter the **qualified period of employment** during the tax year. If hired in the middle of the tax year (reported on line 1), enter the date of hire. If hired before the employer's tax year, enter the first day of the employer's tax year.

For the ending date enter the earlier of:

- the date the qualified military veteran ceased working for the employer,
- the date one year after the date of hire, or
- the last day of the year.

NOTE: *The veteran must have been employed for at least 40 hours per week, and the qualified period may not exceed 1 calendar year from the date of hire.*

6. Indicate whether the veteran was employed by the employer prior to the veteran's deployment or entry into the U.S. military. If the answer is yes, then the employment of the military veteran does not qualify for the veteran employment tax credit.

Compute the Veteran Employment Tax Credit

7. Enter the total number of days that the qualified military veteran was employed by the employer during the employer's tax year (line 1 of this form).

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8. Enter the number of days in the tax year of this claim. Most full-year filers will enter 365 or 366 for a leap year. A taxpayer who has a short-year return enters the number of days included in their tax year.
9. Divide line 7 by line 8. Calculate the percentage to 3 decimal places. If the numbers in lines 7 and 8 are the same number, enter **1.000**.
10. Multiply line 9 by \$1,000. This is the total veteran employment tax credit allowed for this qualified military veteran for this tax year. Include this amount on the *Application for Veteran Employment Tax Credit*, RPD-41371. A certificate of eligibility for each qualified military veteran employee during the qualified period must be attached to Form RPD-41371, *Application for Veteran Employment Tax Credit*.

Certifications

To qualify for the veteran employment tax credit, both certifications must be met. Check the boxes that apply.

11. Mark the box to certify that the employee meets the definition of a "qualified military veteran." See *Definitions* in these instructions.
12. Mark the box to certify that the qualified military veteran is employed for at least 40 hours per week, by the employer

at a location in New Mexico, during the qualified period of employment, as shown on line 5 of this form. This form must be signed and dated. Attach the completed form to Form RPD-41371, *Application for Veteran Employment Tax Credit*.

Mail to:
Taxation and Revenue Department
P.O. Box 5418
Santa Fe, NM 87502-5418

Once approved, use Form RPD-41372, *Veteran Employment Tax Credit Claim Form*, to claim the credit against the tax due. Attach the claim form to the corporate or personal income tax return to which you wish to apply the credit. Any excess may be carried forward for up to three years.

IMPORTANT: The Department may require you to furnish additional documentation to verify eligibility.

DEFINITION

A **qualified military veteran** means an individual who is hired within two years of receipt of an honorable discharge from a branch of the U.S. military and who works at least 40 hours per week during the taxable year for which the veteran employment tax credit is claimed.

The qualified military veteran must work or be expected to