Written by gallupsun Tuesday, 20 September 2016 15:19

Audit reveals the state potentially failed to collect at least \$193 million in premium taxes from

insurance companies

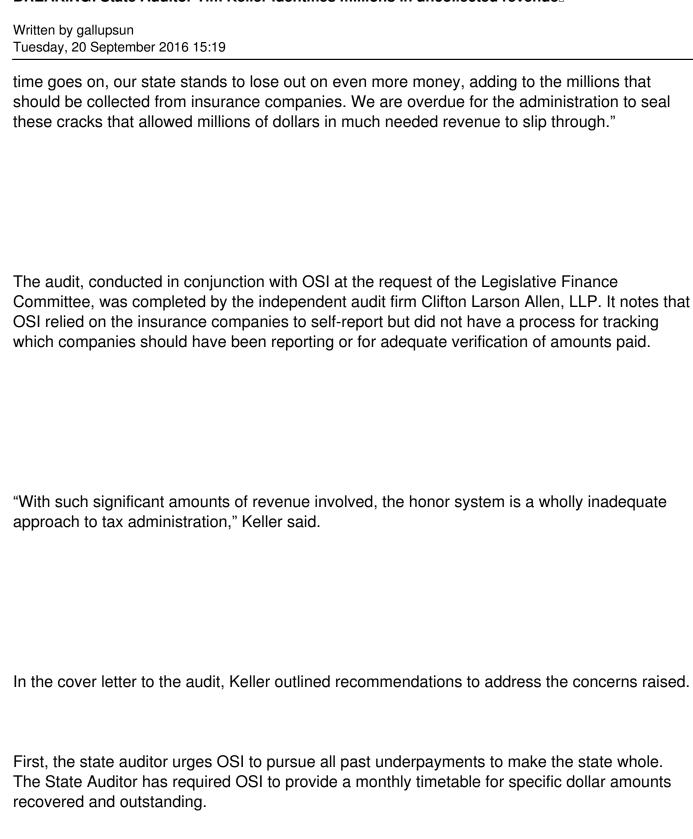


Staff Reports

SANTA FE – On Sept. 20, State Auditor Tim Keller released a special audit of premium taxes collected by the state of New Mexico. New Mexico's Office of the Superintendent of Insurance is responsible for accurate and timely collection of premium taxes from insurance providers that do business in the state. A sample of one-quarter of the total premium tax collected from 2010 to 2015 revealed that the state may have been underpaid at least \$193 million just for those transactions. The total amount due to the state for all transactions is likely to be more.

"Given New Mexico's budget shortfalls, it is critical for the state to competently collect the taxes it's owed," Keller stated. "Unfortunately, this is another driver of our state's budget woes. As

BREAKING: State Auditor Tim Keller identifies millions in uncollected revenue



Second, the state auditor urges OSI to take swift, specific and measurable corrective actions to avoid further underpayments. These measures should include transparency and accountability

to the Legislature and the public.

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In 2014, the New Mexico legislature appropriated funds to OSI to conduct a premium tax audit. When the audit was not completed in a timely manner, the Legislature made the audit subject to oversight by the State Auditor. The complete audit report is available here: osanm.org/audit_re ports/detail/10327

The Office of the State Auditor helps government work better by providing transparency and accountability for government spending; informing policy choices; and tackling fraud, waste and abuse. OSA is an independently elected executive agency responsible for examining the use of public dollars in New Mexico.