

From: Sourisseau, Kevin, TRD
Sent: Friday, October 17, 2014 2:39 PM
To: Vedamanikam, Lizzy, TRD
Cc: Baxter, Shannon L., TRD
Subject: Harold's Trucking discussion with Secretary Padilla

Lizzy,

The Secretary came by my office today to discuss the audit of Harold's Trucking.
She stated:

- That she believed the discussion and issue has been blown out of proportion.
- That she is only trying to address the issue of penalty
 - This is a change from her initial desire to provide an affidavit as 'other evidence' to support the deductions attesting to fact that she was in possession of the NTTCs in question and that they were destroyed
- That she spoke to Brad Odell and was advised to let ACD proceed with the assessment

There was some additional discussion where she suggested the department do away with NTTCs altogether and allow deductions based on the nature of the transaction so that we are not playing 'gotcha'
I reminded her that the department has provided a better system for tracking NTTCs and that we have adjusted our audit procedures to be favorable to the taxpayer with analysis of NTTCNET.

Respectfully

Kevin Sourisseau
Deputy Director, Audit & Compliance Division
Tel: (505) 841-6333 (Albuquerque)
Tel: (505) 827-0901 (Santa Fe)