

HOUSE BILL 148

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

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AN ACT

RELATING TO PROPERTY TAX; AMENDING AND ENACTING SECTIONS OF THE PROPERTY TAX CODE; REQUIRING AN AFFIDAVIT TO BE FILED WITH THE COUNTY ASSESSOR FOR THE TRANSFER OF CERTAIN REAL PROPERTY; EXCLUDING CERTAIN REAL PROPERTY TRANSFERS FROM THE REQUIREMENT TO FILE AN AFFIDAVIT; PROVIDING TEMPORARY LIMITATIONS ON THE VALUATION OF NONRESIDENTIAL PROPERTY; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Property Tax Code, Section 7-36-21.4 NMSA 1978, is enacted to read:

"7-36-21.4. [NEW MATERIAL] TEMPORARY LIMITATION ON
NONRESIDENTIAL PROPERTY VALUATION.--

A. Nonresidential property shall be valued at its current and correct value in accordance with the provisions of the Property Tax Code; provided that for the 2026 through 2036

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1 tax years, the value of a property in any tax year shall not
2 exceed one hundred five percent of the value in the tax year
3 prior to the tax year in which the property is being valued.

4 B. The limitation on increases in value in
5 Subsection A of this section does not apply to:

6 (1) a nonresidential property in the first tax
7 year that the property is valued for property taxation
8 purposes;

9 (2) any increase of square footage of physical
10 improvements on a property during the year immediately prior to
11 the tax year or omitted in a prior tax year, except for
12 reproduction of physical improvements destroyed by a declared
13 state disaster or emergency; or

14 (3) valuation of a nonresidential property in
15 any tax year in which the use or zoning of the property has
16 changed in the year prior to the tax year.

17 C. As used in this section:

18 (1) "declared state disaster or emergency"
19 means a disaster or emergency event for which:

20 (a) a governor's state-of-emergency
21 proclamation has been issued; or

22 (b) a presidential declaration of a
23 federal major disaster or emergency has been issued; and

24 (2) "reproduction" means a new construction
25 structure that is a close or an exact copy of previously

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1 existing physical improvements that have substantially similar
2 total square footage, living square footage and quality of
3 building materials that tends to replicate the previously
4 existing structure."

5 **SECTION 2.** Section 7-38-12.1 NMSA 1978 (being Laws 2003,
6 Chapter 118, Section 2, as amended) is amended to read:

7 "7-38-12.1. ~~[RESIDENTIAL]~~ REAL PROPERTY TRANSFERS--
8 AFFIDAVIT TO BE FILED WITH ASSESSOR.--

9 A. ~~[After January 1, 2004]~~ A transferor or the
10 transferor's authorized agent or a transferee or the
11 transferee's authorized agent presenting for recording with a
12 county clerk a deed, real estate contract or memorandum of real
13 estate contract transferring an interest in real property
14 ~~[classified as residential property]~~ for property taxation
15 purposes shall also file with the county assessor within thirty
16 days of the date of filing with the county clerk an affidavit
17 signed and completed in accordance with the provisions of
18 Subsection B of this section.

19 B. The affidavit required for submission shall be
20 in a form approved by the department and signed by the
21 transferors or their authorized agents or the transferees or
22 their authorized agents of any interest in ~~[residential]~~ real
23 property transferred by deed or real estate contract. The
24 affidavit shall contain only the following information to be
25 used only for analytical and statistical purposes in the

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1 application of appraisal methods:

2 (1) the complete names of all transferors and

3 transferees;

4 (2) the current mailing addresses of all
5 transferors and transferees;

6 (3) the legal description of the real property
7 interest transferred as it appears in the document of transfer;

8 (4) the full consideration, including money or
9 any other thing of value, paid or exchanged for the transfer
10 and the terms of the sale, including any amount of seller
11 incentives; and

12 (5) the value and a description of personal
13 property that is included in the sale price.

14 C. Upon receipt of the affidavit required by
15 Subsection A of this section, the county assessor shall place
16 the date of receipt on the original affidavit and on a copy of
17 the affidavit. The county assessor shall retain the original
18 affidavit as a confidential record and as proof of compliance
19 and shall return the copy marked with the date of receipt to
20 the person presenting the affidavit. The assessor shall index
21 the affidavits in a manner that permits cross-referencing to
22 other records in the assessor's office pertaining to the
23 specific property described in the affidavit. The affidavit
24 and its contents are not part of the valuation record of the
25 assessor.

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D. The affidavit required by Subsection A of this section shall not be required for:

[1) a deed transferring nonresidential property;

(2) [(1) a deed that results from the payment in full or forfeiture by a transferee under a recorded real estate contract or recorded memorandum of real estate contract;

[+3] (2) a lease of or easement on real property, regardless of the length of term;

[~~(4)~~] (3) a deed, patent or contract for sale or transfer of real property in which an agency or representative of the United States or New Mexico or any political subdivision of the state is the named grantor or grantee and authorized transferor or transferee;

[~~(5)~~] (4) a quitclaim deed to quiet title or
clear boundary disputes;

[~~(6)~~] (5) a conveyance of real property
executed pursuant to court order;

[+7] (6) a deed to an unpatented mining claim;

[~~(8)~~] (7) an instrument solely to provide or release security for a debt or obligation;

[+9] (8) an instrument that confirms or corrects a deed previously recorded;

[+10] (9) an instrument between [husband and

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1 wife] married individuals or parent and child with only nominal
2 actual consideration therefor;

3 [~~11~~] (10) an instrument arising out of a
4 sale for delinquent taxes or assessments;

5 [~~12~~] (11) an instrument accomplishing a
6 court-ordered partition;

7 [~~13~~] (12) an instrument arising out of a
8 merger or incorporation;

9 [~~14~~] (13) an instrument by a subsidiary
10 corporation to its parent corporation for no consideration,
11 nominal consideration or in sole consideration of the
12 cancellation or surrender of the subsidiary's stock;

13 [~~15~~] (14) an instrument from a person to a
14 trustee or from a trustee to a trust beneficiary with only
15 nominal actual consideration therefor;

16 [~~16~~] (15) an instrument to or from an
17 intermediary for the purpose of creating a joint tenancy estate
18 or some other form of ownership; [~~or~~]

19 [~~17~~] (16) an instrument delivered to
20 establish a gift or a distribution from an estate of a decedent
21 or trust;

22 (17) a deed, patent or contract for sale or
23 transfer of real property in which the property was valued
24 pursuant to Section 7-36-20 NMSA 1978 in the prior tax year; or

25 (18) an instrument delivered to convey solely

the mineral or subsurface estate of real property.

E. The affidavit required by Subsection A of this section shall not be construed to be a valuation record pursuant to Section 7-38-19 NMSA 1978.

[F. Prior to November 1, 2003, the department shall print and distribute to each county assessor affidavit forms for distribution to the public upon request.]"

SECTION 3. APPLICABILITY.--The provisions of this act apply to property tax years beginning on or after January 1, 2026.

SECTION 4. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.

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