

HOUSE BILL

58TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2027

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO TAXATION; AMENDING THE AFFORDABLE HOUSING TAX
CREDIT ACT TO ALLOW A PRIVATE PROPERTY OWNER WHO BUILDS,
REMODELS OR REHABILITATES AND SELLS AN AFFORDABLE HOUSING
PROJECT CONSISTING OF SINGLE-FAMILY HOUSING IN A RURAL AREA TO
BE ELIGIBLE TO RECEIVE AN INVESTMENT VOUCHER.

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

SECTION 1. Section 7-9I-3 NMSA 1978 (being Laws 2005,
Chapter 104, Section 19, as amended) is amended to read:

"7-9I-3. INVESTMENT VOUCHERS--ISSUANCE--TRANSFER.--

A. The authority may issue an investment voucher to
a person who has:

(1) made an investment of land, buildings,
materials, cash or services for an affordable housing project
approved by the authority or for a trust fund administered by

.234258.2

1 the authority; or

2 (2) completed an affordable housing project
3 consisting of building, remodeling or rehabilitating real
4 property owned by the person to create residential single-
5 family housing in a rural area and is sold by the person to an
6 individual who is not the owner of the real property or a
7 relative of the owner.

8 B. The value of the voucher shall equal fifty
9 percent of the amount of cash invested or the fair market value
10 of the land, buildings, materials or services invested by that
11 person. The authority may approve an investment voucher for
12 any affordable housing project in accordance with Subsection
13 ~~[B]~~ C of this section and in accordance with rules adopted by
14 the authority. An investment voucher that is approved for an
15 affordable housing project shall equal fifty percent of the
16 amount of cash invested or the fair market value of land,
17 buildings, materials or services invested in that affordable
18 housing project by a person upon issuance of that investment
19 voucher; provided that the amount of an investment voucher for
20 an affordable housing project pursuant to Paragraph (2) of
21 Subsection A of this section shall be in an amount equal to
22 fifty percent of the qualified expenditures incurred by the
23 person to build, remodel or rehabilitate real property, not to
24 exceed fifty thousand dollars (\$50,000).

25 ~~[B-]~~ C. During the calendar year:

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1 (1) beginning on January 1, 2006, the
2 authority may issue or approve investment vouchers in an amount
3 that shall not exceed two hundred thousand dollars (\$200,000)
4 in aggregate value;

5 (2) beginning on January 1, 2007, the
6 authority may issue or approve investment vouchers in an amount
7 that shall not exceed five hundred thousand dollars (\$500,000)
8 in aggregate value; and

9 (3) beginning on January 1, 2008 and during
10 each subsequent calendar year, the authority may issue or
11 approve investment vouchers for each calendar year in an amount
12 that shall not exceed an aggregate value of a base rate of one
13 dollar eighty-five cents (\$1.85) adjusted annually to account
14 for inflation, multiplied by the state population during the
15 calendar year as determined by the United States census bureau.

16 ~~[G.]~~ D. Any limitation on the issuance or approval
17 of investment vouchers for a calendar year pursuant to
18 Subsection ~~[B]~~ C of this section shall not apply to an
19 investment voucher issued by the authority during that calendar
20 year that was approved by the authority during a previous
21 calendar year.

22 ~~[D.]~~ E. At the beginning of each calendar year that
23 begins on or after January 1, 2009, the department shall make
24 an adjustment for inflation pursuant to Paragraph (3) of
25 Subsection ~~[B]~~ C of this section by multiplying the base rate
26 .234258.2

1 by a fraction, the numerator of which is the consumer price
2 index for the previous calendar year and the denominator of
3 which is the same index for the 2007 calendar year prior to the
4 calendar year for which a maximum aggregate value is determined
5 for the issuance of investment vouchers pursuant to Paragraph
6 (3) of Subsection [B] C of this section.

7 ~~[E-]~~ F. An investment voucher issued by the
8 authority shall be numbered for identification and may be sold,
9 exchanged or otherwise transferred once in whole or in part to
10 one or more persons. The parties to such a transaction shall
11 notify the department and the authority of the sale, exchange
12 or transfer within ten days of the sale, exchange or transfer.

13 ~~[F-]~~ G. The authority shall adopt rules for the
14 approval, issuance and administration of investment vouchers
15 pursuant to this section.

16 H. As used in this section:

17 (1) "qualified expenditure" means an
18 expenditure or an allocated portion of an expenditure by a
19 taxpayer in direct connection with acquisition of land,
20 renovation, conversion, demolition, reconstruction and
21 construction, development, financing, operating or owning of a
22 property;

23 (2) "relative" means someone who is related to
24 a person as a parent, a step-parent, a sibling by half or whole
25 blood or by adoption, a grandparent, an aunt, an uncle or a

1 first cousin; and

2 (3) "rural area" means an area of the state
3 other than an incorporated municipality with a population of
4 thirty thousand or more according to the most recent federal
5 decennial census and any area within three miles of the
6 external boundaries of an incorporated municipality with a
7 population of thirty thousand or more according to the most
8 recent federal decennial census."

9 SECTION 2. APPLICABILITY.--The provisions of this act
10 apply to affordable housing projects initiated on or after the
11 effective date of this act.

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