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FISCAL IMPACT REPORT

SPONSOR:	Stapleton	DATE TYPED:	02/09/00	HB	477
SHORT TITLE:	Property Tax Credit for Senior Citizens			SB	
				ANALYST:	Williams

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY00	FY01			
	\$ (1,600.0)	\$ (1,600.0)	Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

Relates to HB 278, SB259

SOURCES OF INFORMATION

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

The bill would authorize a tax credit for New Mexico residents 65 years or older on December 31, 2000. The credit claim is equal to the 1999 property taxes paid on principal place of residence, and is capped at \$50. Married filing separate taxpayers would split the credit. The credit is repealed January 1, 2002. The provision applies beginning tax year 2000.

FISCAL IMPLICATIONS

TRD assumes 300,000 single family principal residence of which 11 percent are owned by New Mexico residents 65 years and older. Ninety-five percent of these residences would be eligible for the maximum credit because they incur at least \$50 in property tax liability annually. The remaining 5 percent of these residences are estimated to have \$35 in annual property tax liability. Total General Fund revenue loss is estimated at \$1,600.0 in FY01.

OTHER SUBSTANTIVE ISSUES

TRD suggests means-testing the credit.

AW/gm