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HOUSE BILL 287

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

Rick Miera

AN ACT

RELATING TO PROPERTY TAXATION; AMENDING ELIGIBILITY FOR THE  
LIMITATION ON VALUATION FOR TAXPAYERS WHO ARE SIXTY-FIVE YEARS  
OF AGE OR OLDER.

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

Section 1. Section 7-36-21.3 NMSA 1978 (being Laws 2000,  
Chapter 21, Section 1, as amended) is amended to read:

"7-36-21.3. LIMITATION ON INCREASE IN VALUE FOR [~~SINGLE-  
FAMILY DWELLINGS~~] RESIDENTIAL PROPERTY OCCUPIED BY OWNER  
SIXTY-FIVE YEARS OF AGE OR OLDER. --

A. [~~For the 2001 and subsequent tax years~~] The  
valuation for property taxation purposes of [~~a single-family  
dwelling~~] residential property owned and occupied by a person  
who is sixty-five years of age or older and whose modified  
gross income, as defined in the Income Tax Act, for the prior

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1 taxable year did not exceed the greater of eighteen thousand  
2 dollars (\$18,000) or the amount calculated pursuant to  
3 Subsection C of this section shall not be greater than the  
4 valuation of the property for property taxation purposes in  
5 the:

6 (1) 2001 tax year;

7 (2) year in which the owner has his sixty-  
8 fifth birthday, if that is after 2001; or

9 (3) tax year following the tax year in which  
10 an owner who turns sixty-five or is sixty-five years of age or  
11 older first owns and occupies the property, if that is after  
12 2001.

13 B. The limitation of value specified in Subsection  
14 A of this section shall be applied in a tax year in which the  
15 owner claiming entitlement files with the county assessor an  
16 application for the limitation on a form furnished to him by  
17 the assessor. The application form shall be designed by the  
18 department and shall provide for proof of age, occupancy and  
19 income eligibility for the tax year for which application is  
20 made.

21 C. For the 2002 tax year and each subsequent tax  
22 year the maximum amount of modified gross income in Subsection  
23 A of this section shall be adjusted to account for inflation.  
24 The department shall make the adjustment by multiplying the  
25 maximum amount for tax year 2000 by a fraction, the numerator

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1 of which is the consumer price index ending during the prior  
2 tax year and the denominator of which is the consumer price  
3 index ending in tax year 2000. The result of the  
4 multiplication shall be rounded down to the nearest one  
5 hundred dollars (\$100) except that if the result would be an  
6 amount less than the corresponding amount for the preceding  
7 tax year, then no adjustment shall be made. For purposes of  
8 this subsection, "consumer price index" means the consumer  
9 price index for all urban consumers published by the United  
10 States department of labor for the month ending September 30.  
11 The department shall publish annually the amount determined by  
12 the calculation and distribute it to each county assessor no  
13 later than December 1 of each tax year.

14 D. The limitation of value specified in Subsection  
15 A of this section does not apply to:

16 (1) a change in valuation resulting from any  
17 physical improvements made to the property during the year  
18 immediately prior to the tax year or a change in the permitted  
19 use or zoning of the property during the year immediately  
20 prior to the tax year; or

21 (2) a residential property in the first tax  
22 year that is valued for property taxation purposes. "

23 Section 2. APPLICABILITY. -- The provisions of this act  
24 apply to the 2002 and subsequent property tax years.