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**HOUSE BILL 85**

**46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003**

**INTRODUCED BY**

William "Ed" Boykin

**AN ACT**

**RELATING TO PROPERTY TAXATION; IMPLEMENTING THE EXPANSION OF  
THE DISABLED VETERAN EXEMPTION REQUIRED BY ARTICLE 8, SECTION  
15 OF THE CONSTITUTION OF NEW MEXICO; DECLARING AN EMERGENCY.**

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

**Section 1. Section 7-37-5.1 NMSA 1978 (being Laws 2000,  
Chapter 92, Section 1 and Laws 2000, Chapter 94, Section 1) is  
amended to read:**

**"7-37-5.1. DISABLED VETERAN EXEMPTION. --**

**A. As used in this section:**

**(1) "disabled veteran" means an individual**

**who:**

**(a) has been honorably discharged from  
membership in the armed forces of the United States or has  
received a discharge certificate from a branch of the armed**

**. 143161. 2**

underscored material = new  
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1 forces of the United States for civilian service recognized  
2 pursuant to federal law as service in the armed forces of the  
3 United States; and

4 (b) has been determined pursuant to  
5 federal law to have a one hundred percent permanent and total  
6 service-connected disability; and

7 (2) "honorably discharged" means discharged  
8 from the armed forces pursuant to a discharge other than a  
9 dishonorable or bad conduct discharge.

10 B. The property of a disabled veteran, including  
11 joint or community property of the veteran and the veteran's  
12 spouse, is exempt from property taxation if it is occupied by  
13 the disabled veteran as his principal place of residence [~~and~~  
14 ~~has been especially adapted to his disability using a grant for~~  
15 ~~specially adapted housing granted to the veteran by the federal~~  
16 ~~government based on his permanent and total service-connected~~  
17 ~~disability~~]. Property held in a grantor trust established  
18 under Sections 671 through 677 of the Internal Revenue Code of  
19 1986, as those sections may be amended or renumbered, by a  
20 disabled veteran or the veteran's surviving spouse is also  
21 exempt from property taxation if the property otherwise meets  
22 the requirements for exemption in this subsection or Subsection  
23 C of this section.

24 C. The property of the surviving spouse of a  
25 disabled veteran is exempt from property taxation if:

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1 (1) the surviving spouse and the disabled  
2 veteran were married at the time of the disabled veteran's  
3 death;

4 (2) the property was exempt prior to the  
5 disabled veteran's death pursuant to Subsection B of this  
6 section; and

7 (3) the surviving spouse continues to occupy  
8 the property continuously after the disabled veteran's death as  
9 the spouse's principal place of residence.

10 D. The exemption provided by this section may be  
11 referred to as the "disabled veteran exemption".

12 E. The disabled veteran exemption shall be applied  
13 only if claimed and allowed in accordance with Section 7-38-17  
14 NMSA 1978 and the rules of the department.

15 F. The New Mexico veterans' service commission  
16 shall assist the department and the county assessors in  
17 determining which veterans qualify for the disabled veteran  
18 exemption. "

19 Section 2. APPLICABILITY. --The provisions of this act are  
20 applicable to property tax year 2003 and subsequent property  
21 tax years.

22 Section 3. EMERGENCY. --It is necessary for the public  
23 peace, health and safety that this act take effect immediately.