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FISCAL IMPACT REPORT

SPONSOR Romero DATE TYPED 2/13/04 HB _____

SHORT TITLE Property Tax Exemption for Disabled, CA SB SJR 12

ANALYST Wilson

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
			See Narrative		

Relates to SJR 2 and HB 27

SOURCES OF INFORMATION

LFC Files

Responses Received From
Taxation & Revenue (TRD)

SUMMARY

Synopsis of Bill

Senate Joint Resolution 12 proposes to amend Article 8 of the Constitution of New Mexico by adding a new section requiring the legislature to exempt from property taxation the primary residence of a person who is totally and permanently disabled.

The resolution also provides that the proposed constitutional amendment be submitted for a vote at the next general election or at a special election called to consider the proposed amendment.

Significant Issues

TRD has noted if the amendment is approved by voters, it will require the legislature to enact legislation providing the exemptions, rather than allowing the legislature to enact enabling legislation. The legislature would, however, possess some flexibility in determining qualifications for receiving the exemptions.

FISCAL IMPLICATIONS

The Secretary of States notes it will cost \$40 thousand for this constitutional amendment.

TRD states no fiscal significant impacts would result from enactment of the proposed measure. The fiscal impacts of enabling legislation likely to follow it if voters approved the constitutional amendment would also be insignificant. The effect of exempting totally disabled individuals from property taxation would be to simply shift a small portion of property tax obligations to individuals not subject to the exemption via rate increases.

RELATIONSHIP

SJR relates to SJR 2, Certain Surviving Spouses Property Taxes and HB 27 Survivor Benefits Income Tax Deductions.

DW/yr:lg