

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;
PROVIDING THAT, FOR PROPERTY TAXATION PURPOSES, CERTAIN
AFFORDABLE HOUSING SUBSIDIES, COVENANTS OR ENCUMBRANCES SHALL
BE TAKEN INTO ACCOUNT WHEN DETERMINING THE MARKET VALUE OF
RESIDENTIAL HOUSING; DECLARING AN EMERGENCY.

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

Section 1. Section 7-36-15 NMSA 1978 (being Laws 1975,
Chapter 165, Section 2, as amended) is amended to read:

"7-36-15. METHODS OF VALUATION FOR PROPERTY TAXATION
PURPOSES--GENERAL PROVISIONS.--

A. Property subject to valuation for property
taxation purposes under this article of the Property Tax Code
shall be valued by the methods required by this article of the
Property Tax Code whether the determination of value is made
by the department or the county assessor. The same or similar
methods of valuation shall be used for valuation of the same
or similar kinds of property for property taxation purposes.

B. Unless a method or methods of valuation are
authorized in Sections 7-36-20 through 7-36-33 NMSA 1978, the
value of property for property taxation purposes shall be its
market value as determined by application of the sales of
comparable property, income or cost methods of valuation or
any combination of these methods. In using any of the methods

of valuation authorized by this subsection, the valuation authority:

(1) shall apply generally accepted appraisal techniques; and

(2) in determining the market value of residential housing, shall consider any decrease in the value that would be realized by the owner in a sale of the property because of the effects of any affordable housing subsidy, covenant or encumbrance imposed pursuant to a federal, state or local affordable housing program that restricts the future use of the property or the resale price of the property or would otherwise prohibit the owner from fully benefitting from any enhanced value of the property. As used in this paragraph:

(a) "subsidy, covenant or encumbrance imposed pursuant to a federal, state or local affordable housing program" includes those imposed by a nonprofit entity approved by a governmental entity as a qualifying grantee pursuant to the Affordable Housing Act; and

(b) "residential housing" means any building, structure or portion thereof that is primarily occupied, or designed or intended primarily for occupancy, as a residence by one or more households and any real property that is offered for sale or lease for the construction or location thereon of such a building, structure or portion

thereof. "Residential housing" includes congregate housing, manufactured homes, housing intended to provide or providing transitional or temporary housing for homeless persons and common health care, kitchen, dining, recreational and other facilities primarily for use by residents of a residential housing project.

C. Dams, reservoirs, tanks, canals, irrigation wells, installed irrigation pumps, stock-watering wells and pumps, similar structures and equipment used for irrigation or stock-watering purposes, water rights and private roads shall not be valued separately from the land they serve. The foregoing improvements and rights shall be considered as appurtenances to the land they serve, and their value shall be included in the determination of value of the land.

D. The department shall adopt regulations to implement the methods of valuation authorized in this article of the Property Tax Code."

Section 2. APPLICABILITY.--The provisions of this act apply to the 2008 and subsequent property tax years.

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