HOUSE MEMORIAL 41

48TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2008

INTRODUCED BY

Eric A. Youngberg

A MEMORIAL

REQUESTING THE NEW MEXICO LEGISLATIVE COUNCIL TO ASSIGN THE

APPROPRIATE INTERIM COMMITTEE TO REVIEW THE IMPLICATIONS OF

CAPPING FOR PROPERTY TAX PURPOSES THE ASSESSED VALUATION OF

UNIMPROVED PROPERTY.

WHEREAS, homeowners' property tax bills have been

relatively stable over the last several years as increases in

assessed valuation for property tax purposes have been capped

at three percent a year; and

WHEREAS, the legislature properly acted to cap increases

in assessed valuation to mitigate against the shocking effects

of "tax lightning", which resulted as the real estate market

drove up the potential, but unrealized, gains in property

values; and

WHEREAS, capping increases in the assessed valuation of

.172620.1

residential property also had the effect of shifting more of

the property tax burden to unimproved property, the owners of

which do not enjoy a cap on increases in assessed valuation;

and

WHEREAS, owners of unimproved property face many of the

same financial challenges as homeowners who previously faced

sharp and sudden increases in their property tax bills;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF

REPRESENTATIVES OF THE STATE OF NEW MEXICO that the New Mexico

legislative council be requested to assign the appropriate

interim committee to review the policies and implications

associated with similarly capping increases in the assessed

valuation of vacant property, and then report its findings and

recommendations, if any, to the first session of the forty-

ninth legislature; and

BE IT FURTHER RESOLVED that copies of this memorial be

transmitted to the co-chairs of the New Mexico legislative

council.

- 2 -

.172620.1