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AN ACT

RELATING TO TAXATION; EXTENDING THE SUSTAINABLE BUILDING TAX CREDIT FOR THREE YEARS; CHANGING PROVISIONS FOR APPLICATION OF THE CREDIT AGAINST TAX LIABILITY.

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

SECTION 1. Section 7-2-18.19 NMSA 1978 (being Laws 2007, Chapter 204, Section 3, as amended) is amended to read:

"7-2-18.19. SUSTAINABLE BUILDING TAX CREDIT.--

A. The tax credit provided by this section may be referred to as the "sustainable building tax credit". The sustainable building tax credit shall be available for the construction in New Mexico of a sustainable building, the renovation of an existing building in New Mexico into a sustainable building or the permanent installation of manufactured housing, regardless of where the housing is manufactured, that is a sustainable building. The tax credit provided in this section may not be claimed with respect to the same sustainable building for which the sustainable building tax credit provided in the Corporate Income and Franchise Tax Act has been claimed.

B. The purpose of the sustainable building tax credit is to encourage the construction of sustainable buildings and the renovation of existing buildings into sustainable buildings.

1 C. A taxpayer who files an income tax return is
 2 eligible to be granted a sustainable building tax credit by
 3 the department if the taxpayer submits a document issued
 4 pursuant to Subsection J of this section with the taxpayer's
 5 income tax return.

6 D. For taxable years ending on or before
 7 December 31, 2016, the sustainable building tax credit may be
 8 claimed with respect to a sustainable commercial building.
 9 The credit shall be calculated based on the certification
 10 level the building has achieved in the LEED green building
 11 rating system and the amount of qualified occupied square
 12 footage in the building, as indicated on the following chart:

13 LEED Rating Level	14 Qualified Occupied 15 Square Footage	16 Tax Credit per Square Foot
16 LEED-NC Silver	17 First 10,000	\$3.50
	18 Next 40,000	\$1.75
	19 Over 50,000 up to 500,000	\$.70
20 LEED-NC Gold	21 First 10,000	\$4.75
	22 Next 40,000	\$2.00
	23 Over 50,000 up to 500,000	\$1.00
24 LEED-NC Platinum	25 First 10,000	\$6.25
	Next 40,000	\$3.25

1		Over 50,000	
2		up to 500,000	\$2.00
3	LEED-EB or CS Silver	First 10,000	\$2.50
4		Next 40,000	\$1.25
5		Over 50,000	
6		up to 500,000	\$.50
7	LEED-EB or CS Gold	First 10,000	\$3.35
8		Next 40,000	\$1.40
9		Over 50,000	
10		up to 500,000	\$.70
11	LEED-EB or CS Platinum	First 10,000	\$4.40
12		Next 40,000	\$2.30
13		Over 50,000	
14		up to 500,000	\$1.40
15	LEED-CI Silver	First 10,000	\$1.40
16		Next 40,000	\$.70
17		Over 50,000	
18		up to 500,000	\$.30
19	LEED-CI Gold	First 10,000	\$1.90
20		Next 40,000	\$.80
21		Over 50,000	
22		up to 500,000	\$.40
23	LEED-CI Platinum	First 10,000	\$2.50
24		Next 40,000	\$1.30
25		Over 50,000	

1 up to 500,000 \$.80.

2 E. For taxable years ending on or before
3 December 31, 2016, the sustainable building tax credit may be
4 claimed with respect to a sustainable residential building.
5 The credit shall be calculated based on the amount of
6 qualified occupied square footage, as indicated on the
7 following chart:

8 Rating System/Level	9 Qualified Occupied Square Footage	10 Tax Credit per Square Foot
11 LEED-H Silver or Build	12 First 2,000	\$5.00
13 Green NM Silver	14 Next 1,000	\$2.50
15 LEED-H Gold or Build	16 First 2,000	\$6.85
17 Green NM Gold	18 Next 1,000	\$3.40
19 LEED-H Platinum or Build	20 First 2,000	\$9.00
21 Green NM Emerald	22 Next 1,000	\$4.45
23 EPA ENERGY STAR		
24 Manufactured Housing	25 Up to 3,000	\$3.00.

19 F. A person that is a building owner may apply for
20 la certificate of eligibility for the sustainable building
21 tax credit from the energy, minerals and natural resources
22 department after the construction, installation or renovation
23 of the sustainable building is complete. Applications shall
24 be considered in the order received. If the energy, minerals
25 and natural resources department determines that the building

1 owner meets the requirements of this subsection and that the
2 building with respect to which the tax credit application is
3 made meets the requirements of this section as a sustainable
4 residential building or a sustainable commercial building,
5 the energy, minerals and natural resources department may
6 issue a certificate of eligibility to the building owner,
7 subject to the limitation in Subsection G of this section.

8 The certificate shall include the rating system certification
9 level awarded to the building, the amount of qualified
10 occupied square footage in the building and a calculation of
11 the maximum amount of sustainable building tax credit for
12 which the building owner would be eligible. The energy,
13 minerals and natural resources department may issue rules
14 governing the procedure for administering the provisions of
15 this subsection. If the certification level for the
16 sustainable residential building is awarded on or after
17 January 1, 2007, the energy, minerals and natural resources
18 department may issue a certificate of eligibility to a
19 building owner who is:

20 (1) the owner of the sustainable residential
21 building at the time the certification level for the building
22 is awarded; or

23 (2) the subsequent purchaser of a
24 sustainable residential building with respect to which no tax
25 credit has been previously claimed.

1 G. The energy, minerals and natural resources
2 department may issue a certificate of eligibility only if the
3 total amount of sustainable building tax credits represented
4 by certificates of eligibility issued by the energy, minerals
5 and natural resources department pursuant to this section and
6 pursuant to the Corporate Income and Franchise Tax Act shall
7 not exceed in any calendar year an aggregate amount of one
8 million dollars (\$1,000,000) with respect to sustainable
9 commercial buildings and an aggregate amount of four million
10 dollars (\$4,000,000) with respect to sustainable residential
11 buildings; provided that no more than one million two hundred
12 fifty thousand dollars (\$1,250,000) of the aggregate amount
13 with respect to sustainable residential buildings shall be
14 for manufactured housing. If for any taxable year the
15 energy, minerals and natural resources department determines
16 that the applications for sustainable building tax credits
17 with respect to sustainable residential buildings for that
18 taxable year exceed the aggregate limit set in this section,
19 the energy, minerals and natural resources department may
20 issue certificates of eligibility under the aggregate annual
21 limit for sustainable commercial buildings to owners of
22 sustainable residential buildings that meet the requirements
23 of the energy, minerals and natural resources department and
24 of this section; provided that applications for sustainable
25 building credits for other sustainable commercial buildings

1 total less than the full amount allocated for tax credits for
2 sustainable commercial buildings.

3 H. Installation of a solar thermal system or a
4 photovoltaic system eligible for the solar market development
5 tax credit pursuant to Section 7-2-18.14 NMSA 1978 may not be
6 used as a component of qualification for the rating system
7 certification level used in determining eligibility for the
8 sustainable building tax credit, unless a solar market
9 development tax credit pursuant to Section 7-2-18.14
10 NMSA 1978 has not been claimed with respect to that system
11 and the building owner and the taxpayer claiming the
12 sustainable building tax credit certify that such a tax
13 credit will not be claimed with respect to that system.

14 I. To be eligible for the sustainable building tax
15 credit, the building owner shall provide to the taxation and
16 revenue department a certificate of eligibility issued by the
17 energy, minerals and natural resources department pursuant to
18 the requirements of Subsection F of this section and any
19 other information the taxation and revenue department may
20 require to determine the amount of the tax credit for which
21 the building owner is eligible.

22 J. If the requirements of this section have been
23 complied with, the department shall issue to the building
24 owner a document granting a sustainable building tax credit.

25 The document shall be numbered for identification and declare

1 its date of issuance and the amount of the tax credit allowed
2 pursuant to this section. The document may be submitted by
3 the building owner with that taxpayer's income tax return, if
4 applicable, or may be sold, exchanged or otherwise
5 transferred to another taxpayer. The parties to such a
6 transaction shall notify the department of the sale, exchange
7 or transfer within ten days of the sale, exchange or
8 transfer.

9 K. If the total approved amount of all sustainable
10 building tax credits for a taxpayer in a taxable year
11 represented by the documents issued pursuant to Subsection J
12 of this section is:

13 (1) less than one hundred thousand dollars
14 (\$100,000), a maximum of twenty-five thousand dollars
15 (\$25,000) shall be applied against the taxpayer's income tax
16 liability for the taxable year for which the credit is
17 approved and the next three subsequent taxable years as
18 needed depending on the amount of credit; or

19 (2) one hundred thousand dollars (\$100,000)
20 or more, increments of twenty-five percent of the total
21 credit amount in each of the four taxable years, including
22 the taxable year for which the credit is approved and the
23 three subsequent taxable years, shall be applied against the
24 taxpayer's income tax liability.

25 L. If the sum of all sustainable building tax

1 credits that can be applied to a taxable year for a taxpayer,
2 calculated according to Paragraph (1) or (2) of Subsection K
3 of this section, exceeds the taxpayer's income tax liability
4 for that taxable year, the excess may be carried forward for
5 a period of up to seven years.

6 M. A taxpayer who otherwise qualifies and claims a
7 sustainable building tax credit with respect to a sustainable
8 building owned by a partnership or other business association
9 of which the taxpayer is a member may claim a credit only in
10 proportion to that taxpayer's interest in the partnership or
11 association. The total credit claimed in the aggregate by
12 all members of the partnership or association with respect to
13 the sustainable building shall not exceed the amount of the
14 credit that could have been claimed by a sole owner of the
15 property.

16 N. A husband and wife who file separate returns
17 for a taxable year in which they could have filed a joint
18 return may each claim only one-half of the sustainable
19 building tax credit that would have been allowed on a joint
20 return.

21 O. The department shall compile an annual report
22 on the sustainable building tax credit created pursuant to
23 this section that shall include the number of taxpayers
24 approved by the department to receive the tax credit, the
25 aggregate amount of tax credits approved and any other

1 information necessary to evaluate the effectiveness of the
2 tax credit. Beginning in 2015 and every five years
3 thereafter, the department shall compile and present the
4 annual reports to the revenue stabilization and tax policy
5 committee and the legislative finance committee with an
6 analysis of the effectiveness and cost of the tax credit and
7 whether the tax credit is performing the purpose for which it
8 was created.

9 P. For the purposes of this section:

10 (1) "build green New Mexico rating system"
11 means the certification standards adopted by the homebuilders
12 association of central New Mexico;

13 (2) "LEED-CI" means the LEED rating system
14 for commercial interiors;

15 (3) "LEED-CS" means the LEED rating system
16 for the core and shell of buildings;

17 (4) "LEED-EB" means the LEED rating system
18 for existing buildings;

19 (5) "LEED gold" means the rating in
20 compliance with, or exceeding, the second-highest rating
21 awarded by the LEED certification process;

22 (6) "LEED" means the most current leadership
23 in energy and environmental design green building rating
24 system guidelines developed and adopted by the United States
25 green building council;

1 (7) "LEED-H" means the LEED rating system
2 for homes;

3 (8) "LEED-NC" means the LEED rating system
4 for new buildings and major renovations;

5 (9) "LEED platinum" means the rating in
6 compliance with, or exceeding, the highest rating awarded by
7 the LEED certification process;

8 (10) "LEED silver" means the rating in
9 compliance with, or exceeding, the third-highest rating
10 awarded by the LEED certification process;

11 (11) "manufactured housing" means a
12 multisectioned home that is:

13 (a) a manufactured home or modular
14 home;

15 (b) a single-family dwelling with a
16 heated area of at least thirty-six feet by twenty-four feet
17 and a total area of at least eight hundred sixty-four square
18 feet;

19 (c) constructed in a factory to the
20 standards of the United States department of housing and
21 urban development, the National Manufactured Housing
22 Construction and Safety Standards Act of 1974 and the Housing
23 and Urban Development Zone Code 2 or New Mexico construction
24 codes up to the date of the unit's construction; and

25 (d) installed consistent with the

1 Manufactured Housing Act and rules adopted pursuant to that
2 act relating to permanent foundations;

3 (12) "qualified occupied square footage"
4 means the occupied spaces of the building as determined by:

5 (a) the United States green building
6 council for those buildings obtaining LEED certification;

7 (b) the administrators of the build
8 green New Mexico rating system for those homes obtaining
9 build green New Mexico certification; and

10 (c) the United States environmental
11 protection agency for ENERGY STAR-certified manufactured
12 homes;

13 (13) "person" does not include state, local
14 government, public school district or tribal agencies;

15 (14) "sustainable building" means either a
16 sustainable commercial building or a sustainable residential
17 building;

18 (15) "sustainable commercial building" means
19 a multifamily dwelling unit, as registered and certified
20 under the LEED-H or build green New Mexico rating system,
21 that is certified by the United States green building council
22 as LEED-H silver or higher or by build green New Mexico as
23 silver or higher and has achieved a home energy rating system
24 index of sixty or lower as developed by the residential
25 energy services network or a building that has been

1 registered and certified under the LEED-NC, LEED-EB, LEED-CS
2 or LEED-CI rating system and that:

3 (a) is certified by the United States
4 green building council at LEED silver or higher;

5 (b) achieves any prerequisite for and
6 at least one point related to commissioning under LEED
7 "energy and atmosphere", if included in the applicable rating
8 system; and

9 (c) has reduced energy consumption, as
10 follows: 1) through 2011, a fifty percent energy reduction
11 will be required based on the national average for that
12 building type as published by the United States department of
13 energy; and beginning January 1, 2012, a sixty percent energy
14 reduction will be required based on the national average for
15 that building type as published by the United States
16 department of energy; and 2) is substantiated by the United
17 States environmental protection agency target finder energy
18 performance results form, dated no sooner than the schematic
19 design phase of development;

20 (16) "sustainable residential building"
21 means:

22 (a) a building used as a single-family
23 residence as registered and certified under the build green
24 New Mexico or LEED-H rating system that: 1) is certified by
25 the United States green building council as LEED-H silver or

1 higher or by build green New Mexico as silver or higher; and
2 2) has achieved a home energy rating system index of sixty or
3 lower as developed by the residential energy services
4 network; or

5 (b) manufactured housing that is ENERGY
6 STAR-qualified by the United States environmental protection
7 agency; and

8 (17) "tribal" means of, belonging to or
9 created by a federally recognized Indian nation, tribe or
10 pueblo."

11 SECTION 2. Section 7-2A-21 NMSA 1978 (being Laws 2007,
12 Chapter 204, Section 4, as amended) is amended to read:

13 "7-2A-21. SUSTAINABLE BUILDING TAX CREDIT.--

14 A. The tax credit provided by this section may be
15 referred to as the "sustainable building tax credit". The
16 sustainable building tax credit shall be available for the
17 construction in New Mexico of a sustainable building, the
18 renovation of an existing building in New Mexico into a
19 sustainable building or the permanent installation of
20 manufactured housing, regardless of where the housing is
21 manufactured, that is a sustainable building. The tax credit
22 provided in this section may not be claimed with respect to
23 the same sustainable building for which the sustainable
24 building tax credit provided in the Income Tax Act has been
25 claimed.

1 B. The purpose of the sustainable building tax
2 credit is to encourage the construction of sustainable
3 buildings and the renovation of existing buildings into
4 sustainable buildings.

5 C. A taxpayer that files a corporate income tax
6 return is eligible to be granted a sustainable building tax
7 credit by the department if the taxpayer submits a document
8 issued pursuant to Subsection J of this section with the
9 taxpayer's corporate income tax return.

10 D. For taxable years ending on or before
11 December 31, 2016, the sustainable building tax credit may be
12 claimed with respect to a sustainable commercial building.
13 The credit shall be calculated based on the certification
14 level the building has achieved in the LEED green building
15 rating system and the amount of qualified occupied square
16 footage in the building, as indicated on the following chart:

LEED Rating Level	Qualified Occupied Square Footage	Tax Credit per Square Foot
LEED-NC Silver	First 10,000	\$3.50
	Next 40,000	\$1.75
	Over 50,000 up to 500,000	\$.70
LEED-NC Gold	First 10,000	\$4.75
	Next 40,000	\$2.00

1		Over 50,000	
2		up to 500,000	\$1.00
3	LEED-NC Platinum	First 10,000	\$6.25
4		Next 40,000	\$3.25
5		Over 50,000	
6		up to 500,000	\$2.00
7	LEED-EB or CS Silver	First 10,000	\$2.50
8		Next 40,000	\$1.25
9		Over 50,000	
10		up to 500,000	\$.50
11	LEED-EB or CS Gold	First 10,000	\$3.35
12		Next 40,000	\$1.40
13		Over 50,000	
14		up to 500,000	\$.70
15	LEED-EB or CS		
16	Platinum	First 10,000	\$4.40
17		Next 40,000	\$2.30
18		Over 50,000	
19		up to 500,000	\$1.40
20	LEED-CI Silver	First 10,000	\$1.40
21		Next 40,000	\$.70
22		Over 50,000	
23		up to 500,000	\$.30
24	LEED-CI Gold	First 10,000	\$1.90
25		Next 40,000	\$.80

1		Over 50,000	
2		up to 500,000	\$.40
3	LEED-CI Platinum	First 10,000	\$2.50
4		Next 40,000	\$1.30
5		Over 50,000	
6		up to 500,000	\$.80.

7 E. For taxable years ending on or before
8 December 31, 2016, the sustainable building tax credit may be
9 claimed with respect to a sustainable residential building.
10 The credit shall be calculated based on the amount of
11 qualified occupied square footage, as indicated on the
12 following chart:

13	Rating System/Level	Qualified	Tax Credit
14		Occupied	per Square
15		Square Footage	Foot
16	LEED-H Silver or Build	First 2,000	\$5.00
17	Green NM Silver	Next 1,000	\$2.50
18	LEED-H Gold or Build	First 2,000	\$6.85
19	Green NM Gold	Next 1,000	\$3.40
20	LEED-H Platinum or Build	First 2,000	\$9.00
21	Green NM Emerald	Next 1,000	\$4.45
22	EPA ENERGY STAR		
23	Manufactured Housing	Up to 3,000	\$3.00.

24 F. A person that is a building owner may apply for
25 a certificate of eligibility for the sustainable building tax

1 credit from the energy, minerals and natural resources
2 department after the construction, installation or renovation
3 of the sustainable building is complete. Applications shall
4 be considered in the order received. If the energy, minerals
5 and natural resources department determines that the building
6 owner meets the requirements of this subsection and that the
7 building with respect to which the tax credit application is
8 made meets the requirements of this section as a sustainable
9 residential building or a sustainable commercial building,
10 the energy, minerals and natural resources department may
11 issue a certificate of eligibility to the building owner,
12 subject to the limitation in Subsection G of this section.
13 The certificate shall include the rating system certification
14 level awarded to the building, the amount of qualified
15 occupied square footage in the building and a calculation of
16 the maximum amount of sustainable building tax credit for
17 which the building owner would be eligible. The energy,
18 minerals and natural resources department may issue rules
19 governing the procedure for administering the provisions of
20 this subsection. If the certification level for the
21 sustainable residential building is awarded on or after
22 January 1, 2007, the energy, minerals and natural resources
23 department may issue a certificate of eligibility to a
24 building owner who is:

- 25 (1) the owner of the sustainable residential

1 building at the time the certification level for the building
2 is awarded; or

3 (2) the subsequent purchaser of a
4 sustainable residential building with respect to which no tax
5 credit has been previously claimed.

6 G. The energy, minerals and natural resources
7 department may issue a certificate of eligibility only if the
8 total amount of sustainable building tax credits represented
9 by certificates of eligibility issued by the energy, minerals
10 and natural resources department pursuant to this section and
11 pursuant to the Income Tax Act shall not exceed in any
12 calendar year an aggregate amount of one million dollars
13 (\$1,000,000) with respect to sustainable commercial buildings
14 and an aggregate amount of four million dollars (\$4,000,000)
15 with respect to sustainable residential buildings; provided
16 that no more than one million two hundred fifty thousand
17 dollars (\$1,250,000) of the aggregate amount with respect to
18 sustainable residential buildings shall be for manufactured
19 housing. If for any taxable year the energy, minerals and
20 natural resources department determines that the applications
21 for sustainable building tax credits with respect to
22 sustainable residential buildings for that taxable year
23 exceed the aggregate limit set in this section, the energy,
24 minerals and natural resources department may issue
25 certificates of eligibility under the aggregate annual limit

1 for sustainable commercial buildings to owners of sustainable
2 residential buildings that meet the requirements of the
3 energy, minerals and natural resources department and of this
4 section; provided that applications for sustainable building
5 credits for other sustainable commercial buildings total less
6 than the full amount allocated for tax credits for
7 sustainable commercial buildings.

8 H. Installation of a solar thermal system or a
9 photovoltaic system eligible for the solar market development
10 tax credit pursuant to Section 7-2-18.14 NMSA 1978 may not be
11 used as a component of qualification for the rating system
12 certification level used in determining eligibility for the
13 sustainable building tax credit, unless a solar market
14 development tax credit pursuant to Section 7-2-18.14
15 NMSA 1978 has not been claimed with respect to that system
16 and the building owner and the taxpayer claiming the
17 sustainable building tax credit certify that such a tax
18 credit will not be claimed with respect to that system.

19 I. To be eligible for the sustainable building tax
20 credit, the building owner shall provide to the taxation and
21 revenue department a certificate of eligibility issued by the
22 energy, minerals and natural resources department pursuant to
23 the requirements of Subsection F of this section and any
24 other information the taxation and revenue department may
25 require to determine the amount of the tax credit for which

1 the building owner is eligible.

2 J. If the requirements of this section have been
3 complied with, the department shall issue to the building
4 owner a document granting a sustainable building tax credit.
5 The document shall be numbered for identification and declare
6 its date of issuance and the amount of the tax credit allowed
7 pursuant to this section. The document may be submitted by
8 the building owner with that taxpayer's income tax return, if
9 applicable, or may be sold, exchanged or otherwise
10 transferred to another taxpayer. The parties to such a
11 transaction shall notify the department of the sale, exchange
12 or transfer within ten days of the sale, exchange or
13 transfer.

14 K. If the total approved amount of all sustainable
15 building tax credits for a taxpayer in a taxable year
16 represented by the documents issued pursuant to Subsection J
17 of this section is:

18 (1) less than one hundred thousand dollars
19 (\$100,000), a maximum of twenty-five thousand dollars
20 (\$25,000) shall be applied against the taxpayer's corporate
21 income tax liability for the taxable year for which the
22 credit is approved and the next three subsequent taxable
23 years as needed depending on the amount of credit; or

24 (2) one hundred thousand dollars (\$100,000)
25 or more, increments of twenty-five percent of the total

1 credit amount in each of the four taxable years, including
2 the taxable year for which the credit is approved and the
3 three subsequent taxable years, shall be applied against the
4 taxpayer's corporate income tax liability.

5 L. If the sum of all sustainable building tax
6 credits that can be applied to a taxable year for a taxpayer,
7 calculated according to Paragraph (1) or (2) of Subsection K
8 of this section, exceeds the taxpayer's corporate income tax
9 liability for that taxable year, the excess may be carried
10 forward for a period of up to seven years.

11 M. A taxpayer that otherwise qualifies and claims
12 a sustainable building tax credit with respect to a
13 sustainable building owned by a partnership or other business
14 association of which the taxpayer is a member may claim a
15 credit only in proportion to that taxpayer's interest in the
16 partnership or association. The total credit claimed in the
17 aggregate by all members of the partnership or association
18 with respect to the sustainable building shall not exceed the
19 amount of the credit that could have been claimed by a sole
20 owner of the property.

21 N. The department shall compile an annual report
22 on the sustainable building tax credit created pursuant to
23 this section that shall include the number of taxpayers
24 approved by the department to receive the tax credit, the
25 aggregate amount of tax credits approved and any other

1 information necessary to evaluate the effectiveness of the
2 tax credit. Beginning in 2015 and every five years
3 thereafter, the department shall compile and present the
4 annual reports to the revenue stabilization and tax policy
5 committee and the legislative finance committee with an
6 analysis of the effectiveness and cost of the tax credit and
7 whether the tax credit is performing the purpose for which it
8 was created.

9 O. For the purposes of this section:

10 (1) "build green New Mexico rating system"
11 means the certification standards adopted by the homebuilders
12 association of central New Mexico;

13 (2) "LEED-CI" means the LEED rating system
14 for commercial interiors;

15 (3) "LEED-CS" means the LEED rating system
16 for the core and shell of buildings;

17 (4) "LEED-EB" means the LEED rating system
18 for existing buildings;

19 (5) "LEED gold" means the rating in
20 compliance with, or exceeding, the second-highest rating
21 awarded by the LEED certification process;

22 (6) "LEED" means the most current leadership
23 in energy and environmental design green building rating
24 system guidelines developed and adopted by the United States
25 green building council;

1 (7) "LEED-H" means the LEED rating system
2 for homes;

3 (8) "LEED-NC" means the LEED rating system
4 for new buildings and major renovations;

5 (9) "LEED platinum" means the rating in
6 compliance with, or exceeding, the highest rating awarded by
7 the LEED certification process;

8 (10) "LEED silver" means the rating in
9 compliance with, or exceeding, the third-highest rating
10 awarded by the LEED certification process;

11 (11) "manufactured housing" means a
12 multisectioned home that is:

13 (a) a manufactured home or modular
14 home;

15 (b) a single-family dwelling with a
16 heated area of at least thirty-six feet by twenty-four feet
17 and a total area of at least eight hundred sixty-four square
18 feet;

19 (c) constructed in a factory to the
20 standards of the United States department of housing and
21 urban development, the National Manufactured Housing
22 Construction and Safety Standards Act of 1974 and the Housing
23 and Urban Development Zone Code 2 or New Mexico construction
24 codes up to the date of the unit's construction; and

25 (d) installed consistent with the

1 Manufactured Housing Act and rules adopted pursuant to that
2 act relating to permanent foundations;

3 (12) "qualified occupied square footage"
4 means the occupied spaces of the building as determined by:

5 (a) the United States green building
6 council for those buildings obtaining LEED certification;

7 (b) the administrators of the build
8 green New Mexico rating system for those homes obtaining
9 build green New Mexico certification; and

10 (c) the United States environmental
11 protection agency for ENERGY STAR-certified manufactured
12 homes;

13 (13) "person" does not include state, local
14 government, public school district or tribal agencies;

15 (14) "sustainable building" means either a
16 sustainable commercial building or a sustainable residential
17 building;

18 (15) "sustainable commercial building" means
19 a multifamily dwelling unit, as registered and certified
20 under the LEED-H or build green New Mexico rating system,
21 that is certified by the United States green building council
22 as LEED-H silver or higher or by build green New Mexico as
23 silver or higher and has achieved a home energy rating system
24 index of sixty or lower as developed by the residential
25 energy services network or a building that has been

1 registered and certified under the LEED-NC, LEED-EB, LEED-CS
2 or LEED-CI rating system and that:

3 (a) is certified by the United States
4 green building council at LEED silver or higher;

5 (b) achieves any prerequisite for and
6 at least one point related to commissioning under LEED
7 "energy and atmosphere", if included in the applicable rating
8 system; and

9 (c) has reduced energy consumption, as
10 follows: 1) through 2011, a fifty percent energy reduction
11 will be required based on the national average for that
12 building type as published by the United States department of
13 energy; and beginning January 1, 2012, a sixty percent energy
14 reduction will be required based on the national average for
15 that building type as published by the United States
16 department of energy; and 2) is substantiated by the United
17 States environmental protection agency target finder energy
18 performance results form, dated no sooner than the schematic
19 design phase of development;

20 (16) "sustainable residential building"
21 means:

22 (a) a building used as a single-family
23 residence as registered and certified under the build green
24 New Mexico or LEED-H rating systems that: 1) is certified by
25 the United States green building council as LEED-H silver or

1 higher or by build green New Mexico as silver or higher; and
2 2) has achieved a home energy rating system index of sixty or
3 lower as developed by the residential energy services
4 network; or

5 (b) manufactured housing that is ENERGY
6 STAR-qualified by the United States environmental protection
7 agency; and

8 (17) "tribal" means of, belonging to or
9 created by a federally recognized Indian nation, tribe or
10 pueblo."

11 SECTION 3. Laws 2007, Chapter 204, Section 21 is
12 amended to read:

13 "Section 21. APPLICABILITY.--

14 A. The provisions of Sections 7-2-18.18 and
15 7-2A-19 NMSA 1978 apply to taxable years beginning on or after
16 January 1, 2008.

17 B. The provisions of Sections 7-2-18.20 and
18 7-2A-22 NMSA 1978 apply to taxable years beginning on or after
19 January 1, 2008 and ending on or before December 31, 2012."

20 SECTION 4. EFFECTIVE DATE.--The effective date of the
21 provisions of this act is January 1, 2014. _____