

1 SENATE BILL 506

2 **52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015**

3 INTRODUCED BY

4 William H. Payne

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10 AN ACT

11 RELATING TO TAXATION; PROVIDING THAT A DISABLED VETERAN'S  
12 PROPERTY TAX EXEMPTION MAY REMAIN ON SUBSEQUENTLY TRANSFERRED  
13 PROPERTY OR MAY ATTACH TO NEW PROPERTY.

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

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

19 "7-37-5.1. DISABLED VETERAN EXEMPTION.--

20 A. As used in this section:

21 (1) "disabled veteran" means an individual  
22 who:

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

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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~~] the veteran's principal place of  
14 residence. Property held in a grantor trust established under  
15 Sections 671 through 677 of the Internal Revenue Code of 1986,  
16 as those sections may be amended or renumbered, by a disabled  
17 veteran or the veteran's surviving spouse is also exempt from  
18 property taxation if the property otherwise meets the  
19 requirements for exemption in this subsection or Subsection C  
20 of this section.

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

23 (1) the surviving spouse and the disabled  
24 veteran were married at the time of the disabled veteran's  
25 death; and

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

4 D. Upon the transfer of the principal place of  
5 residence of a disabled veteran or of a surviving spouse of a  
6 disabled veteran entitled to and granted a disabled veteran  
7 exemption, the disabled veteran or the surviving spouse may  
8 choose to:

9 (1) maintain the exemption for that residence,  
10 even if the residence is transferred during the year; or

11 (2) remove the exemption for that residence  
12 and apply it to the disabled veteran's or the disabled  
13 veteran's surviving spouse's new principal place of residence,  
14 regardless of whether the exemption was applied for and claimed  
15 within thirty days of the mailing of the county assessor's  
16 notice of valuation made pursuant to the provisions of Section  
17 7-38-20 NMSA 1978.

18 [~~D-~~] E. The exemption provided by this section may  
19 be referred to as the "disabled veteran exemption".

20 [~~E-~~] F. The disabled veteran exemption shall be  
21 applied only if claimed and allowed in accordance with Section  
22 7-38-17 NMSA 1978 and the rules of the department.

23 [~~F-~~] G. The veterans' services department shall  
24 assist the department and the county assessors in determining  
25 which veterans qualify for the disabled veteran exemption."

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