

SENATE BILL 186

55TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2022

INTRODUCED BY

Pat Woods

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO PUBLIC FUNDS; REQUIRING THE STATE TO MAKE PAYMENTS IN LIEU OF TAXES TO POLITICAL SUBDIVISIONS WHEN ACQUIRING REAL PROPERTY; SFC→**PROVIDING AN EXEMPTION FOR THE DEPARTMENT OF TRANSPORTATION; CREATING THE PAYMENTS IN LIEU OF TAXES FUND;**←SFC MAKING AN APPROPRIATION.

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

SECTION 1. [NEW MATERIAL] PAYMENTS IN LIEU OF TAXES FOR

.222075.1AIC February 15, 2022 (5:06pm)

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STATE-ACQUIRED REAL PROPERTY--ADJUSTMENTS IN PAYMENTS.--

A. Whenever the state acquires fee simple ownership of real property by purchase or eminent domain, the state shall annually make payments in lieu of taxes to any political subdivision of the state that would impose a tax on the acquired real property but for the state's acquisition of that property. The payments in lieu of taxes shall commence with the calendar year following state acquisition and shall continue so long as the state retains ownership.

SFC→B. A state agency that intends to acquire fee simple ownership of real property shall inquire with the clerk of the county in which the property is situate as to the annual property tax liability of the property and prior to acquisition of the property shall remit to the state treasurer for deposit in the payments in the lieu of taxes fund an amount equal to five years of annual property tax liability.←SFC

SFC→B.←SFC SFC→C.←SFC The property tax division of the taxation and revenue department shall promulgate rules to specify how payments in lieu of taxes shall be paid pursuant to Subsection A of this section and shall be adjusted from year to year, taking into consideration factors that include changes in property values and tax rates.

SFC→D. The provisions of this section shall not apply to property purchased by or on behalf of the department of transportation for public road, street or highway

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purposes. ←SFC

SECTION 2. [NEW MATERIAL] PAYMENTS IN LIEU OF TAXES FUND  
CREATED--AUTHORIZED PAYMENTS IN LIEU OF TAXES.--The "payments  
in lieu of taxes fund" is created as a nonreverting fund within  
the state treasury. The fund consists of appropriations,  
gifts, grants, donations, income from investment of the fund  
and any other money distributed or otherwise allocated to the  
fund. The taxation and revenue department shall administer the  
fund, and money in the fund is appropriated to the taxation and  
revenue department to make payments to political subdivisions  
of the state in lieu of taxes for state-acquired real property.  
Disbursements from the fund shall be made by warrant of the  
secretary of finance and administration pursuant to vouchers  
signed by the secretary of taxation and revenue or the  
secretary's authorized representative.

SECTION 3. EFFECTIVE DATE.--The effective date of the  
provisions of this act is July 1, 2022.