

**Bill Analysis and Fiscal Impact Report
Taxation and Revenue Department**

February 11, 2026

Bill:

HB-285, as amended by the HLVMC

Sponsor:

Representative Art De La Cruz, Alan T. Martinez, and Debra M. Sariñana, and Senator Harold Pope

Short Title:

Disabled Veteran Property Tax Changes

Description:

This bill amends the disabled veteran property tax exemption to clarify that the property must be continuously occupied by the disabled veteran, which is the existing practice under current law and Tax & Rev regulation. This bill also provides clarification on how the exemption is applied if the property is owned by more than one disabled veteran. The exemption will be using the highest disability percentage of the eligible disabled veterans. This bill also provides clarification for the timeframe for disabled veterans to submit documents to the county assessor and to file a protest if needed to allow a disability determination from the U.S. Veterans Affairs Department.

The *House Labor, Veterans & Military Affairs Committee* amendment removes the first paragraph under Section 7-38-24 NMSA 1978 that provided an available way a property owner could protest the value or classification determined by the county assessor, and leaves that only a petition for protest authorized by Section 7-38-21 NMSA 1978 may be used.

Effective Date, Applicability, and Contingency Language:

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

Taxation and Revenue Department Analyst:

Lucinda Sydow

Methodology for Estimated Revenue Impact:

Based on how county assessors are already implementing this exemption, this bill is expected to have little to no fiscal impact.

Policy Issues:

The Taxation and Revenue Department (Tax & Rev) supports this bill, which will provide clarity for both taxpayers and for county assessors. Tax & Rev supports the provisions in that bill that will add equity, efficiency and timelessness to the process disabled veterans will follow to claim the disabled veteran property tax exemption.

By using a prescribed form, a veteran will be able to certify that they are an owner of the property and that they continuously occupy it. This will fast track the veteran's claim of exemption. The county assessor will not have to interpret deeds to infer prorated ownership of a property. Disabled veterans will now be allowed to file a protest if the claim of exemption determination is not made by the county assessor by the time the notice of values are mailed. This process treats all disabled veterans in the same manner.

This bill will allow the veteran to file a protest even if he or she has only applied and submitted a disability claim and is awaiting an answer from the U.S. Veteran's Affairs Department.

Finally, the proposal clarifies the application of the disability percentage for all county assessors and taxpayers in the event both homeowners are veterans with a disability. If two or more disabled veterans

own the same property, using the highest disability percentage will simplify the exemption process while still allowing all disabled veterans to receive the benefit.

Technical Issues:

None.

Other Issues:

None.

Administrative & Compliance Impact:

This bill presents little to no impact for Tax & Rev's Property Tax Division. The bill should simplify the operations of county assessors, who will have more clarity to depend on in statute.

Related Bills:

Relates to HB-47 (2025 Regular Session)