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HOUSE BILL 38

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

DAVID M PARSONS

FOR THE REVENUE STABILIZATION AND TAX POLICY COMMITTEE

AN ACT

RELATING TO TAXATION; PROVIDING FOR VALUATION OF HIGHWAY CONTRACTORS' TANGIBLE PERSONAL PROPERTY LOCATED IN NEW MEXICO; PROVIDING PENALTIES.

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

Section 1. A new section of the Property Tax Code is enacted to read:

"~~[NEW MATERIAL]~~ VALUATION DATE-- TANGIBLE PERSONAL PROPERTY-- HIGHWAY CONTRACTORS. --

A. All tangible personal property of highway contractors located in the state shall be valued for property taxation purposes as of January 1, except as provided in Subsection B of this section.

B. All tangible personal property of highway contractors not located in the state on January 1 but brought

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1 into the state and located there for more than twenty days  
2 subsequent to January 1 shall be valued for property taxation  
3 purposes as of the first day of the month following the month in  
4 which they have remained in the state for more than twenty days.

5 C. The highway contractor whose tangible personal  
6 property is subject to valuation for property taxation purposes  
7 shall report the property for valuation to the department on the  
8 valuation date specified in Subsection A or B of this section  
9 and shall include in the report the time period during which the  
10 property will be located in the state. The contractor's report  
11 shall be in a form and contain the information required by the  
12 department regulations and shall be made no later than:

13 (1) the last day of February for tangible  
14 personal property required to be valued as of the first day of  
15 January of the tax year; or

16 (2) ten days after the valuation date  
17 determined under Subsection B of this section for tangible  
18 personal property required to be valued as of a date other than  
19 that in Paragraph (1) of this subsection.

20 D. The department shall adopt regulations for the  
21 allocation of the value of tangible personal property of highway  
22 contractors, which regulations shall provide for:

23 (1) a basic allocation formula that prorates  
24 value on the basis of the amount of time that the tangible  
25 personal property is in the state and subject to valuation for

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1 property taxation purposes;

2 (2) determining proration of value under  
3 Paragraph (1) of this subsection using estimates of the amount  
4 of time that the tangible personal property will be in the state  
5 to cover those situations in which tangible personal property is  
6 imported for an indeterminate time during a tax year; and

7 (3) a method of allocating the value of the  
8 tangible personal property among different governmental units  
9 when the tangible personal property is located in more than one  
10 governmental unit.

11 E. Any person who intentionally refuses to make a  
12 report required of him under this section or who knowingly makes  
13 a false statement in a report required under this section is  
14 guilty of a misdemeanor and shall be punished by imposition of a  
15 fine of not more than one thousand dollars (\$1,000).

16 F. Any person who fails to make a report required of  
17 him under this section is liable for a civil penalty in an  
18 amount equal to five percent of the property taxes ultimately  
19 determined to be due on the property for the tax year or years  
20 for which he failed to make the required report.

21 G. Any person who intentionally refuses to make a  
22 report required of him under this section with the intent to  
23 evade any tax or who fails to make a report required of him  
24 under this section with the intent to evade any tax is liable  
25 for a civil penalty in an amount equal to twenty-five percent of

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1 the property taxes ultimately determined to be due on the  
2 property for the tax year or years for which he refused or  
3 failed to make the required report.

4 H. The civil penalties authorized under Subsections  
5 F and G of this section shall be imposed and collected at the  
6 time and in the manner that the tax is imposed and collected.  
7 In order to assist in the imposition and collection of the  
8 penalties, the person having responsibility for determining the  
9 value of the property shall make an entry in the valuation  
10 records indicating the liability for any penalties due under  
11 this section. "

12 Section 2. Section 7-38-7 NMSA 1978 (being Laws 1973,  
13 Chapter 258, Section 47) is amended to read:

14 "7-38-7. VALUATION DATE. --All property subject to  
15 valuation for property taxation purposes shall be valued as of  
16 January 1 of each tax year, except that livestock shall be  
17 valued as of the date and in the manner prescribed under Section  
18 [72-29-10 NMSA 1953] 7-36-21 NMSA 1978 and tangible personal  
19 property of highway contractors shall be valued as of the date  
20 and in the manner prescribed under Section 1 of this act. "

21 Section 3. APPLICABILITY. --The provisions of this act  
22 apply to the 1998 and subsequent property tax years.

# State of New Mexico House of Representatives

FORTY-THIRD LEGISLATURE

FIRST SESSION, 1997

February 26, 1997

Mr. Speaker:

Your TAXATION AND REVENUE COMMITTEE, to whom has  
been referred

## HOUSE BILL 38

has had it under consideration and reports same with  
recommendation that it DO PASS, amended as follows:

1. On page 1, line 11, strike "HIGHWAY" and insert in lieu  
thereof "CONSTRUCTION".

2. On page 1, line 19, strike "HIGHWAY" and insert in lieu  
thereof "CONSTRUCTION".

3. On page 1, line 20, strike "highway" and insert in lieu  
thereof "construction".

4. On page 1, line 24, strike "highway" and insert in lieu  
thereof "construction".

FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

HTRC/HB 38

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5. On page 2, line 5, strike "highway" and insert in lieu thereof "construction".

6. On page 2, line 7, strike "department" and insert in lieu thereof "entity having responsibility for valuation of the property in accordance with Section 7-36-2 NMSA 1978".

7. On page 2, line 9, before "time" insert "actual or estimated".

8. On page 2, line 10, before "will" insert "has been and".

9. On page 2, line 21, strike "highway" and insert in lieu thereof "construction".

10. On page 4, line 19, strike "highway" and insert in lieu thereof "construction".,

and thence referred to the JUDICIARY COMMITTEE.

FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

HTRC/HB 38

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Respectfully submitted,

\_\_\_\_\_  
Jerry W. Sandel, Chairman

Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_

(Chief Clerk)

(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 9 For 0 Against

Yes: 9

Excused: Gubbels, Porter, Sandoval, Stell

Absent: None

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# **State of New Mexico House of Representatives**

**FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997**

**March 12, 1997**

**Mr. Speaker:**

**Your JUDICIARY COMMITTEE, to whom has been referred**

**HOUSE BILL 38, as amended**

**has had it under consideration and reports same with  
recommendation that it DO PASS.**

**Respectfully submitted,**

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**Thomas P. Foy, Chairman**

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FIRST SESSION, 1997

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Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_

(Chief Clerk)

(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 9 For 0 Against

Yes: 9

Excused: Alwin, Rios, Sanchez, Stewart

Absent: None

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~~[bracketed material] = delete~~

# **State of New Mexico House of Representatives**

**FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997**

**March 12, 1997**

**Mr. Speaker:**

**Your JUDICIARY COMMITTEE, to whom has been referred**

**HOUSE BILL 38, as amended**

**has had it under consideration and reports same with  
recommendation that it DO PASS.**

**Respectfully submitted,**

---

**Thomas P. Foy, Chairman**

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FIRST SESSION, 1997

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Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_

(Chief Clerk)

(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 9 For 0 Against

Yes: 9

Excused: Alwin, Rios, Sanchez, Stewart

Absent: None

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FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

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FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

March 19, 1997

Mr. President:

Your WAYS AND MEANS COMMITTEE, to whom has been  
referred

HOUSE BILL 38, as amended

has had it under consideration and reports same with  
recommendation that it DO PASS.

Respectfully submitted,

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Carlos R. Cisneros, Chairman

Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_

FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

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(Chief Clerk)

(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 7 For 0 Against

Yes: 7

No: 0

Excused: Duran, McSorley

Absent: None

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