

AN ACT

RELATING TO PROPERTY TAXATION; CHANGING THE DEADLINE FOR
PAYMENT OF DELINQUENT TAXES TO AVOID SALE OF PROPERTY.

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

Section 1. Section 7-38-65 NMSA 1978 (being Laws 1973,
Chapter 258, Section 105, as amended) is amended to read:

"7-38-65. COLLECTION OF DELINQUENT TAXES ON REAL
PROPERTY--SALE OF REAL PROPERTY.--

A. The department may collect delinquent taxes on
real property by selling the real property on which the taxes
have become delinquent. The sale of real property for
delinquent taxes shall be in accordance with the provisions
of the Property Tax Code. Real property may be sold for
delinquent taxes at any time after the expiration of three
years from the first date shown on the tax delinquency list
on which the taxes became delinquent. Real property shall be
offered for sale for delinquent taxes either within four
years after the first date shown on the tax delinquency list
on which the taxes became delinquent or, if the department is
barred by operation of law or by order of a court of
competent jurisdiction from offering the property for sale
for delinquent taxes within four years after the first date
shown on the tax delinquency list on which the taxes became
delinquent, within one year from the time the department

determines that it is no longer barred from selling the property, unless:

(1) all delinquent taxes, penalties, interest and costs due are paid by 5:00 p.m. of the day prior to the date of the sale; or

(2) an installment agreement for payment of all delinquent taxes, penalties, interests and costs due is entered into with the department by 5:00 p.m. of the day prior to the date of the sale pursuant to Section 7-38-68 NMSA 1978.

B. Failure to offer property for sale within the time prescribed by Subsection A of this section shall not impair the validity or effect of any sale which does take place.

C. The time requirements of this section are subject to the provisions of Section 7-38-83 NMSA 1978. "

Section 2. Section 7-38-66 NMSA 1978 (being Laws 1973, Chapter 258, Section 106, as amended) is amended to read:

"7-38-66. SALE OF REAL PROPERTY FOR DELINQUENT TAXES-- NOTICE OF SALE. --

A. At least twenty days but not more than thirty days before the date of the sale for delinquent taxes, the department shall notify by certified mail, return receipt requested, to the address as shown on the most recent property tax schedule, each property owner whose real

property will be sold that the owner's real property will be sold to satisfy delinquent taxes, unless:

(1) all delinquent taxes, penalties, interest and costs due are paid by 5:00 p.m. of the day prior to the date of the sale; or

(2) an installment agreement for payment of all delinquent taxes, penalties, interest and costs due is entered into with the department by 5:00 p.m. of the day prior to the date of sale in accordance with Section 7-38-68 NMSA 1978.

B. The notice shall also:

(1) state the amount of taxes, penalties, interest and costs due;

(2) state the time and place of the sale;

(3) describe the real property that will be sold;

(4) inform the property owner of his right to enter into an installment agreement with the department for payment of delinquent taxes, penalties, interest and costs, in accordance with Section 7-38-68 NMSA 1978;

(5) provide information on the name and phone number of the individual in the department the taxpayer can contact to arrange for an installment agreement in accordance with Section 7-38-68 NMSA 1978; and

(6) contain any other information that the

department may require by regulation.

C. At the same time a notice required by Subsection A of this section is sent to the owner of the property, a notice containing the information set out in Subsection B of this section shall also be sent to each person holding a lien or security interest of record in the property if an address for such person is reasonably ascertainable through a search of the property records of the county in which the property is located.

D. Failure of the department to mail a required notice by certified mail, return receipt requested, shall invalidate the sale; provided, however, that return to the department of the notice of the return receipt shall be deemed adequate notice and shall not invalidate the sale.

E. Proof by the taxpayer that all delinquent taxes, penalties, interest and costs had been paid by 5:00 p.m. of the day prior to the date of sale shall prevent or invalidate the sale.

F. Proof by the taxpayer that the taxpayer has, by 5:00 p.m. of the day prior to the date of sale, entered into an installment agreement to pay all delinquent taxes, penalties, interest and costs as provided in Section 7-38-68 NMSA 1978 and that timely payments under such agreement are being made shall prevent or invalidate the sale.

G. The time requirements of this section are

subject to the provisions of Section 7-38-83 NMSA 1978. "

Section 3. Section 7-38-67 NMSA 1978 (being Laws 1973, Chapter 258, Section 107, as amended) is amended to read:

"7-38-67. REAL PROPERTY SALE REQUIREMENTS. --

A. Real property may not be sold for delinquent taxes before the expiration of three years from the first date shown on the tax delinquency list on which the taxes on the real property became delinquent.

B. Notice of the sale shall be published in a local newspaper within the county where the real property is located or, if there is no local county or municipal newspaper, then a newspaper published in a county contiguous to or near the county in which the real property is located, at least once a week for the three weeks immediately preceding the week of the sale. For more generalized notice, the department may choose to publish notice of the sale also in a newspaper not published within the county and of more general circulation. The notice shall state the time and place of the sale and shall include a description of the real property sufficient to permit its identification and location by potential purchasers.

C. Real property shall be sold at public auction either by the department or an auctioneer hired by the department. The auction shall be held in the county where the real property is located at a time and place designated

by the department.

D. If the real property can be divided so as to enable the department to sell only part of it and pay all delinquent taxes, penalties, interest and costs, the department may, with the consent of the owner, sell only a part of the real property.

E. Before the sale, the department shall determine a minimum sale price for the real property. In determining the minimum price, the department shall consider the value of the property owner's interest in the real property, the amount of all delinquent taxes, penalties and interest for which it is being sold and the costs. The minimum price shall not be less than the total of all delinquent taxes, penalties, interest and costs. Real property may not be sold for less than the minimum price unless no offer met the minimum price when it was offered at an earlier public auction. A sale properly made under the authority of and in accordance with the requirements of this section constitutes full payment of all delinquent taxes, penalties and interest that are a lien against the property at the time of sale, and the sale extinguishes the lien.

F. Payment shall be made in full by the close of the public auction before an offer may be deemed accepted by the department.

G. Real property not offered for sale may be

offered for sale at a later sale, but the requirements of this section and Section 7-38-66 NMSA 1978 shall be met in connection with each sale. "

Section 4. APPLICABILITY. --The provisions of this act apply to sales of real property for delinquent taxes conducted by the taxation and revenue department on or after July 1, 2001. _____
