

HOUSE BILL 437

50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011

INTRODUCED BY

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AN ACT

RELATING TO TAXATION; PROVIDING A PROPERTY TAX EXEMPTION FOR
VETERANS' ORGANIZATIONS CONSISTENT WITH THE CONSTITUTION OF NEW
MEXICO.

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

SECTION 1. A new section of Chapter 7, Article 37 NMSA
1978 is enacted to read:

"~~[NEW MATERIAL]~~ VETERANS' ORGANIZATION EXEMPTION.--The
property of a veterans' organization chartered by the United
States congress and that is used primarily for the benefit of
veterans and their families is exempt from property taxation.
The exemption provided by this section may be referred to as
the "veterans' organization exemption". The veterans'
organization exemption shall be applied only if claimed and
allowed pursuant to Section 7-38-17 NMSA 1978 and the rules of

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1 the department. The veterans' services department shall assist
2 the taxation and revenue department and the county assessors in
3 determining which veterans' organizations qualify for the
4 veterans' organization exemption."

5 SECTION 2. Section 7-38-17 NMSA 1978 (being Laws 1973,
6 Chapter 258, Section 57, as amended) is amended to read:

7 "7-38-17. CLAIMING EXEMPTIONS--REQUIREMENTS--PENALTIES.--

8 A. Subject to the requirements of Subsection E of
9 this section, head-of-family exemptions, veteran exemptions
10 [~~or~~], disabled veteran exemptions or veterans' organization
11 exemptions claimed and allowed in a tax year need not be
12 claimed for subsequent tax years if there is no change in
13 eligibility for the exemption nor any change in ownership of
14 the property against which the exemption was claimed. Head-of-
15 family [~~and~~], veteran and veterans' organization exemptions
16 allowable under this subsection shall be applied automatically
17 by county assessors in the subsequent tax years.

18 B. Other exemptions of real property specified
19 under Section 7-36-7 NMSA 1978 for nongovernmental entities
20 shall be claimed in order to be allowed. Once such exemptions
21 are claimed and allowed for a tax year, they need not be
22 claimed for subsequent tax years if there is no change in
23 eligibility. Exemptions allowable under this subsection shall
24 be applied automatically by county assessors in subsequent tax
25 years.

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1 C. Except as set forth in Subsection H of this
2 section, an exemption required to be claimed under this section
3 shall be applied for no later than thirty days after the
4 mailing of the county assessor's notices of valuation pursuant
5 to Section 7-38-20 NMSA 1978 in order for it to be allowed for
6 that tax year.

7 D. A person who has had an exemption applied to a
8 tax year and subsequently becomes ineligible for the exemption
9 because of a change in the person's status or a change in the
10 ownership of the property against which the exemption was
11 applied shall notify the county assessor of the loss of
12 eligibility for the exemption by the last day of February of
13 the tax year immediately following the year in which loss of
14 eligibility occurs.

15 E. Exemptions may be claimed by filing proof of
16 eligibility for the exemption with the county assessor. The
17 proof shall be in a form prescribed by regulation of the
18 department. Procedures for determining eligibility of
19 claimants for any exemption shall be prescribed by regulation
20 of the department, and these regulations shall include
21 provisions for requiring the veterans' services department to
22 issue certificates of eligibility for veteran and veterans'
23 organization exemptions in a form and with the information
24 required by the department. The regulations shall also include
25 verification procedures to assure that veteran exemptions in

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1 excess of the amount authorized under Section 7-37-5 NMSA 1978
2 are not allowed as a result of multiple claiming in more than
3 one county or claiming against more than one property in a
4 single tax year.

5 F. The department shall consult and cooperate with
6 the veterans' services department in the development, adoption
7 and promulgation of regulations under Subsection E of this
8 section. The veterans' services department shall comply with
9 the promulgated regulations. The veterans' services department
10 shall collect a fee of five dollars (\$5.00) for the issuance of
11 a duplicate certificate of eligibility to a veteran or to a
12 veterans' organization.

13 G. A person who violates the provisions of this
14 section by intentionally claiming and receiving the benefit of
15 an exemption to which the person is not entitled or who fails
16 to comply with the provisions of Subsection D of this section
17 is guilty of a misdemeanor and shall be punished by a fine of
18 not more than one thousand dollars (\$1,000). A county assessor
19 or the assessor's employee who knowingly permits a claimant for
20 an exemption to receive the benefit of an exemption to which
21 the claimant is not entitled is guilty of a misdemeanor and
22 shall be punished by a fine of not more than one thousand
23 dollars (\$1,000) and shall also be automatically removed from
24 office or dismissed from employment upon conviction under this
25 subsection.

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1 H. A veteran or the veteran's unmarried surviving
2 spouse who became eligible to receive a property tax exemption
3 due to the expansion of the class of eligible veterans
4 resulting from approval by the electorate in November 2004 of
5 an amendment to Article 8, Section 5 of the constitution of New
6 Mexico shall apply at the time the veteran or the veteran's
7 unmarried surviving spouse applies for the 2005 veteran
8 exemption, to the county assessor of the county in which the
9 property of the veteran or the veteran's unmarried surviving
10 spouse is located to have the veteran exemptions for the 2004
11 and 2005 property tax years applied to the 2005 taxable value
12 of the property. The same form of documentation required for a
13 veteran's property exemption for property tax year 2005 is
14 required to be presented to the county assessor for property
15 tax year 2004."

16 SECTION 3. APPLICABILITY.--The provisions of Section 1 of
17 this act apply to taxable years beginning on or after January
18 1, 2012.