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SENATE BILL 310

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

INTRODUCED BY

Mark Boitano

AN ACT

RELATING TO TAXATION; PROVIDING FOR RESIDENTIAL PROPERTY TO BE VALUED BASED ON A SQUARE FOOT FORMULA; DECLARING AN EMERGENCY.

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

SECTION 1. Section 7-36-15 NMSA 1978 (being Laws 1975, Chapter 165, Section 2, as amended) is amended to read:

"7-36-15. METHODS OF VALUATION FOR PROPERTY TAXATION PURPOSES--GENERAL PROVISIONS.--

A. Property subject to valuation for property taxation purposes under this article of the Property Tax Code shall be valued by the methods required by this article of the Property Tax Code whether the determination of value is made by the department or the county assessor. The same or similar methods of valuation shall be used for valuation of the same or similar kinds of property for property taxation purposes.

underscoring material = new
~~[bracketed material] = delete~~

underscored material = new
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1 B. Unless a method or methods of valuation are
2 authorized in Sections 7-36-20 through 7-36-33 NMSA 1978, the
3 value of nonresidential property for property taxation purposes
4 shall be its market value as determined by application of the
5 sales of comparable property, income or cost methods of
6 valuation or any combination of these methods. In using any of
7 the methods of valuation authorized by this subsection, the
8 valuation authority [~~(1)~~] shall apply generally accepted
9 appraisal techniques [~~and~~].

10 C. The value of residential property for property
11 taxation purposes shall be determined by multiplying the area
12 of the residential property in square feet by a factor that is
13 the value in dollars per square foot of residential property in
14 the county or area of the county. The factor is determined by
15 dividing the assessed value in the prior property tax year of
16 residential property in the county or area of the county,
17 including the assessed value of multifamily properties, by the
18 total square feet of residential property in the county in that
19 tax year. The resulting value is the taxable value of the
20 property to which the tax rate is applied to determine the tax
21 due.

22 ~~(2)~~ D. In determining the [~~market~~] value of
23 residential housing, the valuation authority shall consider any
24 decrease in the value that would be realized by the owner in a
25 sale of the property because of the effects of any affordable

.182992.2

underscored material = new
[bracketed material] = delete

1 housing subsidy, covenant or encumbrance imposed pursuant to a
2 federal, state or local affordable housing program that
3 restricts the future use of the property or the resale price of
4 the property or would otherwise prohibit the owner from fully
5 ~~[benefitting]~~ benefiting from any enhanced value of the
6 property. As used in this ~~[paragraph]~~ subsection:

7 ~~[(a)]~~ (1) "subsidy, covenant or encumbrance
8 imposed pursuant to a federal, state or local affordable
9 housing program" includes those imposed by a nonprofit entity
10 approved by a governmental entity as a qualifying grantee
11 pursuant to the Affordable Housing Act; and

12 ~~[(b)]~~ (2) "residential housing" means any
13 building, structure or portion thereof that is primarily
14 occupied, or designed or intended primarily for occupancy, as a
15 residence by one or more households and any real property that
16 is offered for sale or lease for the construction or location
17 thereon of such a building, structure or portion thereof.

18 "Residential housing" includes congregate housing, manufactured
19 homes, housing intended to provide or providing transitional or
20 temporary housing for homeless persons and common health care,
21 kitchen, dining, recreational and other facilities primarily
22 for use by residents of a residential housing project.

23 ~~[G-]~~ E. Dams, reservoirs, tanks, canals, irrigation
24 wells, installed irrigation pumps, stock-watering wells and
25 pumps, similar structures and equipment used for irrigation or

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underscoring material = new
[bracketed material] = delete

1 stock-watering purposes, water rights and private roads shall
2 not be valued separately from the land they serve. The
3 foregoing improvements and rights shall be considered as
4 appurtenances to the land they serve, and their value shall be
5 included in the determination of value of the land.

6 ~~[D-]~~ F. The department shall adopt regulations to
7 implement the methods of valuation authorized in this article
8 of the Property Tax Code."

9 SECTION 2. APPLICABILITY.--The provisions of this act are
10 applicable to property tax years beginning on or after January
11 1, 2011.

12 SECTION 3. EMERGENCY.--It is necessary for the public
13 peace, health and safety that this act take effect immediately.