

LFC Requester:

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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION****WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://agencyanalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)*****(Analysis must be uploaded as a PDF)*****SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}***Date Prepared:** 3/17/25*Check all that apply:***Bill Number:** HB 494Original    ☒    Correction    ☐Amendment    ☐    Substitute    ☐**Sponsor:** Martinez**Agency Name****and Code**995 NMC**Number:****Short Title:** TAX EXEMPTIONS FOR VETERANS**Person Writing** Hannah Kase Woods**Phone:** 505.820.8102 **Email** hwoods@nmcounties.org**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:  
Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

Synopsis:

#### **FISCAL IMPLICATIONS**

**Counties help guide veterans with information on how to obtain their tax reduction:**

- Santa Fe County
- Provide a guide with the assessment letter. The guide contains detailed information to help the public (including veterans) to better understand both the Veterans Exemption and the Disabled Veterans Exemption.
- Additionally, we allocate a portion of our budget to educating the public about these exemptions by marketing. Our outreach efforts include, newspaper ads, radio commercials, and interviews, etc. all designed to ensure that the public is informed of the relevant deadlines and benefits. We also utilize our social media platforms to further promote this information.

#### **WHY IS HB494 NECESSARY:**

**Current statute allows disabled veterans to file for an exemption to their property taxes at any time throughout the year.**

- This statutory language was put in place when only 100% disabled veterans qualified for the exemption.

**Constitutional Amendment #1, passed by the voters in November 2024, now allows all veterans with 10% or greater disability to file for a property tax exemption equal to their percentage of disability.**

- This change increased the number of qualifying disabled veterans from 16,849 to 51,962 (an increase of 35,113) according to Veteran Services
- The fiscal impact is currently impossible to determine until an individual with a specific percentage of disability files for the exemption on a specific property.

For example, a 50% property tax exemption on a \$50,000 mobile home (\$25,000) is very different than a 50% exemption on a \$800,000 home (\$400,000).

- Ensuring timely exemption filing for a subsequent tax year is critical to understanding the financial impact.

**If all disabled veterans are still able to file an exemption year-round, counties will not be able to budget accurately for potential revenue loss.**

## **SOLUTION:**

### **All veterans' exemptions should be filed within existing property tax deadlines.**

- Veterans waiting on their certification from Veteran Services would still have 30 days past the notice of value to file.
- If they do not receive their certification within this timeframe, they can file a protest which would provide them with an additional 180 days to receive their certification.
- If a veteran misses the deadline, they can still apply for the following tax year.
- Once the veteran disability exemption is in place, the exemption is automatically included in subsequent years and would only need to be refiled if there is an increase in the disability percentage.

## **IF HB494 IS NOT PASSED:**

Without this statutory change, counties would be forced to issue ongoing refunds and constantly need to amend their tax rolls, creating budget speculation and possible audit findings.

## **SIGNIFICANT ISSUES**

### **PERFORMANCE IMPLICATIONS**

### **ADMINISTRATIVE IMPLICATIONS**

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

### **TECHNICAL ISSUES**

### **OTHER SUBSTANTIVE ISSUES**

### **ALTERNATIVES**

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

### **AMENDMENTS**