

AN ACT

RELATING TO TAXATION; ESTABLISHING A METHOD OF VALUATION FOR PROPERTY TAXATION PURPOSES FOR CERTAIN RESIDENTIAL PROPERTY; FREEZING VALUES FOR SINGLE-FAMILY DWELLINGS OCCUPIED BY CERTAIN LOW-INCOME OWNERS SIXTY-FIVE YEARS OF AGE AND OLDER.

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

Section 1. A new section of Chapter 7, Article 36 NMSA 1978 is enacted to read:

"LIMITATION ON INCREASE IN VALUE FOR SINGLE-FAMILY DWELLINGS OCCUPIED BY OWNER SIXTY-FIVE YEARS OF AGE OR OLDER.--

A. For the 2001 and subsequent tax years the valuation for property taxation purposes of a single-family dwelling owned and occupied by a person who is sixty-five years of age or older and whose modified gross income, as defined in the Income Tax Act, for the prior taxable year did not exceed eighteen thousand dollars (\$18,000) shall not be greater than the valuation of the property for property taxation purposes in the:

(1) 2001 tax year; or

(2) the year in which the owner has his sixty-fifth birthday, if that is after 2001.

B. The limitation of value specified in

Subsection A of this section shall be applied in a tax year

in which the owner claiming entitlement files with the county assessor an application for the limitation on a form furnished to him by the assessor at the time notices of valuation are sent out by the assessor pursuant to Section 7-38-20 NMSA 1978. The application form shall be designed by the department and shall provide for proof of age, occupancy and income eligibility for the tax year for which application is made."

Section 2. APPLICABILITY.--The provisions of this act apply to the 2001 and subsequent property tax years. \_\_\_\_\_