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HOUSE BILL 322

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,  
2000**

INTRODUCED BY

W.C. "Dub" Williams

AN ACT

RELATING TO TAXATION; CHANGING THE DEADLINE BY WHICH  
DELINQUENT PROPERTY TAXES MAY BE PAID 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

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1 on which the taxes became delinquent. Real property shall be  
2 offered for sale for delinquent taxes either within four  
3 years after the first date shown on the tax delinquency list  
4 on which the taxes became delinquent or, if the department is  
5 barred by operation of law or by order of a court of  
6 competent jurisdiction from offering the property for sale  
7 for delinquent taxes within four years after the first date  
8 shown on the tax delinquency list on which the taxes became  
9 delinquent, within one year from the time the department  
10 determines that it is no longer barred from selling the  
11 property, unless:

12 (1) all delinquent taxes, penalties,  
13 interest and costs due are paid ~~[by the date of the sale]~~ one  
14 minute before the sale for delinquent taxes commences; or

15 (2) an installment agreement for payment of  
16 all delinquent taxes, penalties, interests and costs due is  
17 entered into with the department ~~[by the date of the sale]~~  
18 one minute before the sale for delinquent taxes commences  
19 pursuant to Section 7-38-68 NMSA 1978.

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

24 C. The time requirements of this section are  
25 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:

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1 "7-38-66. SALE OF REAL PROPERTY FOR DELINQUENT TAXES--  
2 NOTICE OF SALE.--

3 A. At least twenty days but not more than thirty  
4 days before the date of the sale for delinquent taxes, the  
5 department shall notify by certified mail, return receipt  
6 requested, to the address as shown on the most recent  
7 property tax schedule, each property owner whose real  
8 property will be sold that the owner's real property will be  
9 sold to satisfy delinquent taxes, unless:

10 (1) all delinquent taxes, penalties,  
11 interest and costs due are paid ~~[by the date of the sale]~~ one  
12 minute before the sale for delinquent taxes commences; or

13 (2) an installment agreement for payment of  
14 all delinquent taxes, penalties, interest and costs due is  
15 entered into with the department ~~[by the date of sale]~~ one  
16 minute before the sale for delinquent taxes commences in  
17 accordance with Section 7-38-68 NMSA 1978.

18 B. The notice shall also:

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

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

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

24 (4) contain any other information that the  
25 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

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1 property, a notice containing the information set out in  
2 Subsection B of this section shall also be sent to each  
3 person holding a lien or security interest of record in the  
4 property if an address for such person is reasonably  
5 ascertainable through a search of the property records of the  
6 county in which the property is located.

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

12 E. Proof by the taxpayer that all delinquent  
13 taxes, penalties, interest and costs had been paid [~~prior to~~  
14 ~~the date of sale~~] no later than one minute before the sale  
15 for delinquent taxes commences shall prevent or invalidate  
16 the sale.

17 F. Proof by the taxpayer that the taxpayer has  
18 entered into an installment agreement to pay all delinquent  
19 taxes, penalties, interest and costs [~~prior to the date of~~  
20 ~~sale~~] no later than one minute before the sale for delinquent  
21 taxes commences as provided in Section 7-38-68 NMSA 1978 and  
22 that timely payments under such agreement are being made  
23 shall prevent or invalidate the sale.

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

Section 3. APPLICABILITY.--The provisions of this act  
apply to sales of real property for delinquent taxes

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1 conducted by the taxation and revenue department on or after  
2 July 1, 2000.

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