

underscored material = new
[bracketed material] = delete

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HOUSE BILL 831

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

INTRODUCED BY

Daniel P. Silva

AN ACT

**RELATING TO TAXATION; ALLOWING COUNTIES THAT HAVE IMPOSED THE
LOW-INCOME PROPERTY TAX REBATE TO BILL OTHER GOVERNMENTAL
ENTITIES FOR COSTS OF THE REBATE; AMENDING A SECTION OF THE
NMSA 1978.**

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

**Section 1. Section 7-2-14.3 NMSA 1978 (being Laws 1994,
Chapter 111, Section 1, as amended) is amended to read:**

**"7-2-14.3. TAX REBATE OF PART OF PROPERTY TAX DUE FROM
LOW-INCOME TAXPAYER--LOCAL OPTION--REFUND. --**

**A. The tax rebate provided by this section may be
claimed for the taxable year for which the return is filed by
an individual who:**

**(1) has his principal place of residence in a
county that has adopted an ordinance pursuant to Subsection G
. 136507. 1**

1 of this section;

2 (2) is not a dependent of another individual;

3 (3) files a return; and

4 (4) incurred a property tax liability on his
5 principal place of residence in the taxable year.

6 B. The tax rebate provided by this section shall
7 be allowed for any individual eligible to claim the refund
8 pursuant to Subsection A of this section and who:

9 (1) was not an inmate of a public institution
10 for more than six months during the taxable year;

11 (2) was physically present in New Mexico for
12 at least six months during the taxable year for which the
13 rebate is claimed; and

14 (3) is eligible for the rebate as a
15 low-income property taxpayer in accordance with the provisions
16 of Subsection D of this section.

17 C. A husband and wife who file separate returns
18 for the taxable year in which they could have filed a joint
19 return may each claim only one-half of the tax rebate that
20 would have been allowed on the joint return.

21 D. As used in the table in this subsection,
22 "property tax liability" means the amount of property tax
23 resulting from the imposition of the county and municipal
24 property tax operating impositions on the net taxable value of
25 the taxpayer's principal place of residence calculated for the

1 year for which the rebate is claimed. The tax rebate provided
2 in this section is as specified in the following table:

3 **LOW-INCOME TAXPAYER'S PROPERTY TAX REBATE TABLE**

4 Taxpayer's Modified Gross Income	Property Tax Rebate
5 But Not	
6 Over	Over
7 \$0	\$8,000 75% of property tax liability
8 8,000	10,000 70% of property tax liability
9 10,000	12,000 65% of property tax liability
10 12,000	14,000 60% of property tax liability
11 14,000	16,000 55% of property tax liability
12 16,000	18,000 50% of property tax liability
13 18,000	20,000 45% of property tax liability
14 20,000	22,000 40% of property tax liability
15 22,000	24,000 35% of property tax liability.

16 E. If a taxpayer's modified gross income is zero,
17 the taxpayer may claim a tax rebate in the amount shown in the
18 first row of the table. The tax rebate provided for in this
19 section shall not exceed three hundred fifty dollars (\$350)
20 per return and, if a return is filed separately that could
21 have been filed jointly, the tax rebate shall not exceed one
22 hundred seventy-five dollars (\$175). No tax rebate shall be
23 allowed any taxpayer whose modified gross income exceeds
24 twenty-four thousand dollars (\$24,000).

25 F. The tax rebate provided for in this section may

underscored material = new
[bracketed material] = delete

1 be deducted from the taxpayer's New Mexico income tax
2 liability for the taxable year. If the tax rebate exceeds the
3 taxpayer's income tax liability, the excess shall be refunded
4 to the taxpayer.

5 G. In January of every odd-numbered year in which
6 a county does not have in effect an ordinance adopted pursuant
7 to this subsection, the board of county commissioners of the
8 county shall conduct a public hearing on the question of
9 whether the property tax rebate provided in this section
10 benefiting low-income property taxpayers in the county should
11 be made available through adoption of a county ordinance.
12 Notice of the public hearing shall be published once at least
13 two weeks prior to the hearing date in at least one newspaper
14 of general circulation in the county and broadcast at some
15 time within the week before the hearing on at least one radio
16 station with substantial broadcasting coverage in the county.
17 At the public hearing, the board shall take action on the
18 question and if a majority of the members elected votes to
19 adopt an ordinance, it shall be adopted no later than thirty
20 days after the public hearing.

21 H. An ordinance adopted pursuant to Subsection G
22 of this section shall specify the first taxable year to which
23 it is applicable. The board of county commissioners adopting
24 an ordinance shall notify the department of the adoption of
25 the ordinance and furnish a copy of the ordinance to the

underscored material = new
[bracketed material] = delete

1 department no later than September 1 of the first taxable year
2 to which the ordinance applies.

3 I. No later than July 1 of the year immediately
4 following the first year in which the low-income taxpayer
5 property tax rebate provided in the Income Tax Act is in
6 effect for a county, and no later than July 1 of each year
7 thereafter in which the tax rebate is in effect, the
8 department shall certify to the county the amount of the loss
9 of income tax revenue to the state for the previous taxable
10 year attributable to the allowance of property tax rebates to
11 taxpayers of that county. The county shall promptly pay the
12 amount certified to the department. If a county fails to pay
13 the amount certified within thirty days of the date of
14 certification, the department may enforce collection of the
15 amount by action against the county and may withhold from any
16 revenue distribution to the county, not dedicated or pledged,
17 amounts up to the amount certified.

18 J. After payment to the department in accordance
19 with the provisions of Subsection I of this section, the
20 county treasurer shall bill each governmental entity for which
21 property taxes were collected during the rebate period for
22 their prorated share of the payment certified by the
23 department. If payment is not received by the county within
24 thirty days of billing, the county treasurer shall withhold
25 the amount billed from the next property tax distribution.

. 136507. 1

underscored material = new
[bracketed material] = delete

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

[J-] K. As used in this section, "principal place of residence" means the dwelling owned and occupied by the taxpayer and so much of the land surrounding it, not to exceed five acres, as is reasonably necessary for use of the dwelling as a home and may consist of a part of a multidwelling or a multipurpose building and a part of the land upon which it is built. "

Section 2. EFFECTIVE DATE. -- The effective date of the provisions of this act is July 1, 2001.