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FISCAL IMPACT REPORT

SPONSOR Martinez, A. LAST UPDATED 3/14/2025
ORIGINAL DATE 2/24/2025
BILL
SHORT TITLE Tax Exemptions for Veterans NUMBER House Bill 494
ANALYST Faubion

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	No fiscal impact	No fiscal impact	No fiscal impact	No fiscal impact	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to House Bill 47
Duplicates part of House Bill 342 and Senate Bill 192.

Sources of Information

LFC Files

Agency Analysis Received From
Veteran Services Department (VSD)

Agency Analysis was Solicited but Not Received From
Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of House Bill 494

House Bill 494 amends New Mexico's property tax exemption law by removing a special provision that allowed disabled veterans and their unmarried surviving spouses to claim exemptions for the current tax year. With this change, they must now apply within the usual 30-day window following the county assessor's notice of valuation, just like all other property owners claiming exemptions.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, or June 20, 2025, if enacted.

FISCAL IMPLICATIONS

This bill has no state fiscal impact.

SIGNIFICANT ISSUES

House Bill 494 will help county assessors by simplifying the administration of property tax exemptions. By removing the special provision that allowed disabled veterans and their unmarried surviving spouses to receive exemptions for the current tax year, assessors can enforce a single, uniform deadline for all property tax exemptions. This reduces the complexity of managing different timelines and exceptions, leading to more consistent processing and reduced paperwork. It also minimizes the potential for errors or disputes over late applications, thereby streamlining workflows and enhancing efficiency in property tax administration. Additionally, the change ensures greater predictability in revenue collection, as all exemptions must be claimed within the standard timeframe.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 494 relates to House Bill 47, which enacts the constitutional veteran exemptions as approved by voters in the 2024 general election. House Bill 494 duplicates part of House Bill 342 and Senate Bill 192.

JF/hj/SL2