

**NOTE: As provided in LFC policy, this report is intended for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.**

**Only the most recent FIR version, excluding attachments, is available on the Intranet. Previously issued FIRs and attachments may be obtained from the LFC office in Suite 101 of the State Capitol Building North.**

### FISCAL IMPACT REPORT

SPONSOR:	Garcia, M.P.	DATE TYPED:	02/02/00	HB	HJR 3
SHORT TITLE:	Disabled Veterans' Property Tax			SB	
				ANALYST:	Williams

#### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY00	FY01			
		No Significant Fiscal Impact		

(Parenthesis ( ) Indicate Revenue Decreases)

Relates to HB90, HB278, HJR6, SB259, SB282, SJR2

#### SOURCES OF INFORMATION

Taxation and Revenue Department (TRD)

## **SUMMARY**

### Synopsis of Bill

The bill would amend Article 8, Section 15 of the New Mexico Constitution such that totally disabled, honorably discharged veterans would qualify for exemption from property tax for the principal place of residence. As adopted by the voters in 1998, this exemption is limited to those totally disabled, honorably discharged veterans who have received a federal grant for adapting the residence for their disability.

## **FISCAL IMPLICATIONS**

TRD estimates no significant fiscal impact on state general obligation bond funding or various local funds. If 2,000 veterans participated in the program with an annual average property tax bill of \$800, the tax loss is estimated at \$1,600.0 or less than 0.25% of total annual statewide property taxes. In response, rates on other property owners would be expected to increase to offset the loss.

## **ADMINISTRATIVE IMPLICATIONS**

No major administrative impacts noted.

AW/gm