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**HOUSE BILL 138**

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

**INTRODUCED BY**

**W. C. "Dub" Williams**

**AN ACT**

**RELATING TO PROPERTY TAXATION; CHANGING THE DEADLINE FOR  
PAYMENT OF DELINQUENT TAXES 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 on**

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1 which the taxes became delinquent. Real property shall be  
2 offered for sale for delinquent taxes either within four years  
3 after the first date shown on the tax delinquency list on  
4 which the taxes became delinquent or, if the department is  
5 barred by operation of law or by order of a court of competent  
6 jurisdiction from offering the property for sale for  
7 delinquent taxes within four years after the first date shown  
8 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, interest  
13 and costs due are paid by 5:00 p.m. of the day prior to the  
14 date of the sale; 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 5:00 p.m. of the day prior  
18 to the date of the sale pursuant to Section 7-38-68 NMSA 1978.

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

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

25 Section 2. Section 7-38-66 NMSA 1978 (being Laws 1973,

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1 Chapter 258, Section 106, as amended) is amended to read:

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

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

11 (1) all delinquent taxes, penalties, interest  
12 and costs due are paid by 5:00 p.m. of the day prior to the  
13 date of the sale; or

14 (2) an installment agreement for payment of  
15 all delinquent taxes, penalties, interest and costs due is  
16 entered into with the department by 5:00 p.m. of the day prior  
17 to the date of sale in accordance with Section 7-38-68 NMSA  
18 1978.

19 B. The notice shall also:

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

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

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

25 (4) contain any other information that the

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1 department may require by regulation.

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

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

15 E. Proof by the taxpayer that all delinquent  
16 taxes, penalties, interest and costs had been paid by 5:00  
17 p.m. of the day prior to the date of sale shall prevent or  
18 invalidate the sale.

19 F. Proof by the taxpayer that the taxpayer has, by  
20 5:00 p.m. of the day prior to the date of sale, entered into  
21 an installment agreement to pay all delinquent taxes,  
22 penalties, interest and costs [~~prior to the date of sale~~] as  
23 provided in Section 7-38-68 NMSA 1978 and that timely payments  
24 under such agreement are being made shall prevent or  
25 invalidate the sale.

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

3                    Section 3. APPLICABILITY. -- The provisions of this act  
4 apply to sales of real property for delinquent taxes conducted  
5 by the taxation and revenue department on or after July 1,  
6 2001.

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