

**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: Miera DATE TYPED: 03/13/01 HB 627/aHJC/aHTRC  
 SHORT TITLE: Civil Actions for Property Tax Refunds SB \_\_\_\_\_  
 ANALYST: Hayes

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
			NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

Taxation and Revenue Department (TRD)

### SUMMARY

#### Synopsis of HTRC Amendment

The House Taxation and Revenue Committee amendment makes a technical adjustment only.

#### Synopsis of HJC Amendment

The House Judiciary Committee amendment inserts a new subsection (F) in the bill which states that county assessors and county treasurers shall be represented by counsel when they are named parties defendant in civil actions regarding refund of property taxes.

#### Synopsis of Original Bill

HB627 amends 7-38-40 NMSA 1978 to require that county assessors and county treasurers be named as defendants in civil actions regarding refund of property taxes, not the county itself.

The bill also addresses a technical clarification in current statute: changing all references of the “division” [Property Tax Division] to the “department” [Taxation and Revenue Department].

The provisions of this legislation apply to the 2001 and subsequent property tax years.

Significant Issues

Current statutes allow property owners to protest assessed values, property classifications and similar issues in the following manner:

1. By filing a protest with the Property Tax Division director or county assessor, depending on whether the property is assessed by the Taxation and Revenue Department or a county assessor
2. By filing a claim for refund as a civil action in the district court for the county in which the valuation was determined, or in Santa Fe County if the property is assessed by the Taxation and Revenue Department.

The statutes currently require taxpayers to name the county as the defendant when property is assessed by a county assessor. The proposed legislation would require property owners to name county assessors and treasurers as defendants in these types of lawsuits when it is the county who valued the property

Naming these or any public official in a lawsuit is standard legal practice and follows acceptable conventions.

CMH/jsp:ar