

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:	Lyons	DATE TYPED:	03/06/01	HB
SHORT TITLE:	Limit Property Tax of Agricultural Land		SB	SJR 9
		ANALYST:	Williams	

SOURCES OF INFORMATION

LFC Files
New Mexico Department of Agriculture

SUMMARY

Synopsis of Bill

The language of the joint resolution provides for an amendment to the New Mexico Constitution. The amendment would require the legislature to pass legislation to limit increases in annual valuation of land used primarily for agricultural uses for property tax purposes.

Significant Issues

This legislation is a reaction to last year's proposal by the Taxation and Revenue Department to increase agricultural land values used to determine property taxes due. The New Mexico approach to valuation of this land is based on production value. TRD notes there is substantial variation in valuation methodology between counties. Assessed values in some counties for agricultural land are updated regularly, while other counties have not changed these values in over 20 years.

The attached table from TRD reflects the net taxable value of agricultural land in selected New Mexico counties in tax year 2000.

FISCAL IMPLICATIONS

There would be no direct fiscal impact on state revenues from passage of this joint resolution.

AW/ar
Attachment