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HOUSE BILL 84

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

INTRODUCED BY

William "Ed" Boykin

AN ACT

RELATING TO PROPERTY TAXATION; IMPLEMENTING THE INCREASED TAX EXEMPTION FOR VETERANS REQUIRED BY ARTICLE 8, SECTION 5 OF THE CONSTITUTION OF NEW MEXICO; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 7-37-5 NMSA 1978 (being Laws 1973, Chapter 258, Section 38, as amended) is amended to read:

"7-37-5. VETERAN EXEMPTION. --

A. [~~Two thousand dollars (\$2,000)~~] Up to four thousand dollars (\$4,000) of the taxable value of property, including the community or joint property of husband and wife, subject to the tax is exempt from the imposition of the tax if the property is owned by a veteran or the veteran's unmarried surviving spouse if the veteran or surviving spouse is a New Mexico resident or if the property is held in a grantor trust

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1 established under Sections 671 through 677 of the Internal
2 Revenue Code of 1986, as those sections may be amended or
3 renumbered, by a veteran or the veteran's unmarried surviving
4 spouse if the veteran or surviving spouse is a New Mexico
5 resident. The exemption shall be deducted from taxable value
6 of property to determine net taxable value of property. The
7 exemption allowed shall be in the following amounts for the
8 specified tax years:

9 (1) for tax years prior to 2003, the exemption
10 shall be two thousand dollars (\$2,000);

11 (2) for tax year 2003, the exemption shall be
12 two thousand five hundred dollars (\$2,500);

13 (3) for tax year 2004, the exemption shall be
14 three thousand dollars (\$3,000);

15 (4) for tax year 2005, the exemption shall be
16 three thousand five hundred dollars (\$3,500); and

17 (5) for tax year 2006 and each subsequent tax
18 year, the exemption shall be four thousand dollars (\$4,000).

19 B. The veteran exemption shall be applied only if
20 claimed and allowed in accordance with Section 7-38-17 NMSA
21 1978 and regulations of the department.

22 C. As used in this section, "veteran" means an
23 individual who:

24 (1) has been honorably discharged from
25 membership in the armed forces of the United States;

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1 (2) served in the armed forces of the United
2 States on active duty continuously for ninety days, any part of
3 which occurred during a period specified in Paragraph (3) of
4 this subsection; and

5 (3) served in the armed forces of the United
6 States during one or more of the following periods of armed
7 conflict under orders of the president:

8 (a) any armed conflict prior to World
9 War I;

10 (b) World War I which, for the purposes
11 of this section, is defined as the period April 6, 1917 through
12 April 1, 1920;

13 (c) World War II which, for the purposes
14 of this section, is defined as the period December 7, 1941
15 through December 31, 1946;

16 (d) the Korean conflict which, for the
17 purposes of this section, is defined as the period June 27,
18 1950 through January 31, 1955;

19 (e) the Vietnam conflict which, for the
20 purposes of this section, is defined as the period August 5,
21 1964 through May 7, 1975;

22 (f) the Grenada conflict which, for the
23 purposes of this section, is defined as the period October 13
24 through December 31, 1983; or

25 (g) the Persian gulf conflict which, for

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1 the purposes of this section, is defined as the period August
2 2, 1990 through the date upon which the president of the United
3 States or a competent military authority declares the conflict
4 to be ended, but in no case earlier than July 1, 1992.

5 D. For the purposes of Subsection C of this
6 section, a person who would otherwise be entitled to status as
7 a veteran except for failure to have served in the armed forces
8 continuously for ninety days is considered to have met that
9 qualification if he served during the applicable period for
10 less than ninety days and the reason for not having served for
11 ninety days was a discharge brought about by service-connected
12 disablement.

13 E. For the purposes of Paragraph (1) of Subsection
14 C of this section, a person has been "honorably discharged"
15 unless he received either a dishonorable discharge or a
16 discharge for misconduct.

17 F. For the purposes of this section, a person whose
18 civilian service has been recognized as service in the armed
19 forces of the United States under federal law and who has been
20 issued a discharge certificate by a branch of the armed forces
21 of the United States shall be considered to have served in the
22 armed forces of the United States. "

23 Section 2. EMERGENCY. --It is necessary for the public
24 peace, health and safety that this act take effect immediately.