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## FISCAL IMPACT REPORT

SPONSOR Garcia DATE TYPED 2/3/04 HB \_\_\_\_\_

SHORT TITLE Historic Property Tax Deduction SB SM 6

ANALYST Reynolds-Forte

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
			NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

New Mexico Tourism Department  
Office of Cultural Affairs

### SUMMARY

#### Synopsis of Bill

Senate Memorial 6 requests the Taxation and Revenue Department to study the feasibility of, and the state costs associated with, an exemption or partial property tax exemption for historic properties located in the state, including properties listed on the state register of cultural properties and other properties located within designated historic districts, and submit a written report to the New Mexico Senate.

### ADMINISTRATIVE IMPLICATIONS

The Taxation and Revenue Department would be required to dedicate staff to do the study. The Office of Cultural Affairs notes that their Historic Preservation Division can provide information regarding historic districts and the state cultural properties list to the Taxation and Revenue Department.

### OTHER SUBSTANTIVE ISSUES

The Office of Cultural Affairs notes that an existing tax credit is available for improvement made to properties listed on the state cultural properties list. It is unknown whether as properties im-

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prove if, property taxes increase within that district. Other states have found property tax abatements for cultural properties have allowed long-term residents a means to remain in their historic homes.

**PRF/yr:njw**