

LFC Requester:

Jennifer Faubion

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

[AgencyAnalysis.nmlegis.gov](https://www.nmlegis.gov/AgencyAnalysis) and email to billanalysis@dfa.nm.gov*(Analysis must be uploaded as a PDF)***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*Date Prepared: 02/21/25

Check all that apply:

Bill Number: HB 494Original Correction Amendment Substitute Sponsor: Alan MartinezShort Title: Tax Exemptions for Veterans

Title: _____

Agency Name
and CodeDepartment of Veterans' Services
67000

Number: _____

Person Writing

Danelle LuceroPhone: 505-372-9035Email Danelle.lucero@dvs.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
N/A	65.0	Recurring	General Fund
N/A	25.0	Nonrecurring	General Fund

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE - HB 494 Amending the process for claiming Veterans' property tax exemptions.

BILL SUMMARY - HB 494 Relates to amending how Veterans Exemptions are claimed. The bill removes the Subsection H which states that disabled Veterans or the unmarried Veteran Spouse shall be allowed to claim the exemption for the current tax year provided that the exemption shall not be allowed for property tax due for previous tax years.

Synopsis: **HB 494** House Bill 494 extracts the subsection H from language pertaining to the process for Veterans Property Tax Exemptions in relation to disallowing Disabled Veterans and their spouses from claiming exemptions in the current tax year

FISCAL IMPLICATIONS - NMDVS is the designated proponent for veteran benefits. Due to the anticipated increase in additional requests for the new tax exemptions, the agency will require one (1) full-time (FTE) Eligibility Interviewer, pay band 55. The agency will require additional funds for expanded outreach services and advertising, to provide promotional materials and messaging to inform Veterans and surviving spouses about the amended benefits.

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES - NA

PERFORMANCE IMPLICATIONS - NA

ADMINISTRATIVE IMPLICATIONS - The increased volume of Veterans seeking tax exemptions and the possibility of additional benefits to existing veteran exemptions will require NMDVS to accomplish internal training for current and additional staff. NMDVS will also need to develop a comprehensive marketing campaign to educate Veterans statewide.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP - NA

TECHNICAL ISSUES - NA

OTHER SUBSTANTIVE ISSUES - NA

ALTERNATIVES -NA

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL – Status quo

AMENDMENTS- N/A