

Property Tax Exemptions

Under the New Mexico property tax law, NMSA 1978, chapter 7, there are two categories of individual property taxation exemptions and several categories of institutional and governmental exemptions. Individual exemptions are available for governmental agencies, schools, service organizations (nonprofit), churches and special status exemptions.

1. How can I find out if my organization warrants an exemption?

If you feel your organization meets the requirements established in the New Mexico Supreme Court decision in Grace Inc. vs. Bernalillo County, which requires that the primary use of land and/or improvements be for charitable, religious, or educational purposes, then you must apply for an exemption with the Assessor's Office. The burden of proof is on the property owner to document eligibility each year.

2. Is there a Homestead Exemption in New Mexico?

No, The New Mexico Legislature has established a Head of Family exemption.

3. When may exemptions be claimed?

Between January 1st and no later than thirty (30) days after the mailing of the County Assessor's Notice of Valuation (NOV).

Head of Family:

If property changes ownership after the 1st of the year. The exemption will be removed on Jan 1 of the following year and the new owner must apply by the last day of February to qualify for the new tax year. (NMSA 7-37-4)

1. Who is eligible for the Head of Family exemption and how is it applied?

The state statute on this reads: As used in this section, Head of the Family means an individual New Mexico resident who is either

- a. Married;
- b. Widow or Widower;
- c. Head of Household furnishing more than one half the cost of support of any related person; or
- d. A single person

Those eligible for this exemption must apply for it only once to

receive it in subsequent years. Only one family exemption per household is permitted, and it must be the property in which the owner resides in the State of New Mexico. The Head of the Household exemption for 1988 was \$200. In 1989 and 1990, the amount was \$800; and in 1991 and 1992 it was \$1,400. In 1993 it capped at \$2,000.

Veteran Exemption:

If property changes ownership after January 1st, the exemption will be removed on January 1st of the following year and the new owner must apply no later than thirty (30) days after the mailing of the County Assessor's Notice of Valuation (NOV). (7-38-17 NMSA)

1. How is the Veteran Exemption status determined and how does it affect property taxes?

The New Mexico Veteran's Service Commission determines all eligibility and issues a certificate to all qualifying veterans. This certificate (original document only) may be used to claim the New Mexico Property Tax Exemption for \$3,500 a year. Once the exemption is claimed, it is retained for subsequent years without having to reapply. Veterans with certificates should apply for exemption with the Assessor between January 1 and January 31. Surviving spouses may receive the exemption if they qualify with the New Mexico Veteran's Service Commission, no later than thirty (30) days after the mailing of the County Assessor's Notice of Valuation (NOV).

APPEALS PROCESS: Protesting Assessment Values

1. When can I protest my valuation as determined by the Assessor?

A property owner may protest the value of classification by the Assessor, the allocation of the value of the property, or denial of a claim for exemption by filing a petition with the Assessor no later than 30 days after the mailing of Notice of Value. A taxpayer may file a letter of inquiry and the Assessor may elect to resolve the question without going through a formal protest.

2. What is the protest process if I disagree with the Assessor's valuation?

To start the protest process in the County, you should:

- a. Fill out the protest form that is available at the County Assessor's Office 207 West Hill, Suite 102, Gallup,

New Mexico 87305. Make sure you fill out the form completely.

- b. Mail in the form or bring it to the Assessor's Office in person. It is helpful if you provide them with a copy of your documentation; do not give them your original.
- c. A formal hearing with the Valuation Protest Board will be set.
- d. An informal meeting may be set with a field appraiser.
- e. If the dispute is not resolved satisfactorily at the Board hearing, you may make an official appeal to the Court of Appeals.

3. May I review my records at the Assessor's Office for my protest?

Yes. But you may review only your own property card, no one else's, since they are considered confidential and not public information.

MOBILE HOMES:

1. Must a mobile home be assessed with the County Assessor?

Yes. By state law, mobile homes must be assessed for property taxes. The Assessor requires a copy of the mobile home vehicle registration or the title, along with the mobile home property address or location

2. What steps must I take as a mobile home owner before either selling, moving or trading in a mobile home?

Bring your title or registration certificate to the County Assessor's office. The County Assessor's staff will determine if the manufactured home is assessed for property taxes. Tax releases for the selling or trading of a manufactured home will be issued once current and prior year taxes have been paid with the County Treasurer and the seller provides the County Assessor with the new buyer name and mailing address information.

A tax release for the movement of a manufactured home will be issued by the assessor once the manufacture home owner has obtained a Manufacture Home Installation Permit from the State Building Inspection Department. Current and prior year taxes must be paid with the County Treasurer before issuance of the

3. How are mobile home values determined?

The valuation method used for determining the value of manufactured homes for property taxation purposes shall be a cost method, applying generally accepted appraisal techniques and shall generally provide for:

- a. The determination of initial cost of a manufactured home based upon classifications of manufactured homes and sales prices for the various classifications.
- b. Deductions from initial cost for allowable for allowable straight line depreciation, which is developed by the State Property Tax Division; and
- c. Deductions from initial cost of other justifiable factors, including, but not limited to, functional and economic obsolescence.

4. Will my assessment show the value for the land as well as the mobile home?

No. The land value appears on a separate assessment. Note also that you will receive two tax bills: One for the mobile home and one for your lot (unless the lot is a rental).

5. What steps must I take to change the status of my manufactured home from personal property to real property?

The County Assessor requires the manufactured home owner to fill out a request for permanent status form. An appraiser will then do a physical inspection of the manufactured home. The minimum criteria for a permanent residence status on manufactured housing are as follows:

- a. The tongue must be removed.
- b. The axles must be removed.
- c. The manufactured home must be anchored to a permanent foundation.
- d. Permit from the state building inspector and passed inspection.
- e. Moving the manufacture home may not be economically feasible. Once the physical inspection is done and the manufactured home has met the criteria for real property, the Assessor's office requires that current and prior year taxes be paid on the manufactured home. The status will be changed the next tax year to a permanent structure.

