TAXATION & REVENUE
NEW MEXICO

Michelle Lujan Grisham
Governor

Stephanie Schardin Clarke
Cabinet Secretary

DIVISIONS

Office of the Secretary
(505) 827-0341
Administrative Services
(505) 827-0369
Audit and Compliance
(505) 827-0900
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(505) 827-2296
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(505) 827-0354

December 1, 2025

New Mexico County Assessors – **Order No. 25-44**

RE: Limitation on increase in value for single-family dwellings occupied by low-income owners sixty-five years of age or older or disabled [7-36-21.3 NMSA 1978, (2020)]

Dear County Assessor,

Enclosed is an order for the year 2026 implementation of NMSA § 7-36-21.3 (2020), the statutory limitation on valuation for property taxation for purposes of single-family dwellings that are owned and occupied by a person who is sixty-five years of age or older or disabled and whose modified gross income does not exceed the greater of forty-four thousand two hundred dollars ($44,200).

Also included is an application form to be used for persons who are sixty-five or older with low income and persons who are disabled with low income.

It is the Property Tax Division's responsibility to post this order in a newspaper of general circulation and to pay for the publication of this order. The County Assessor is not required to publish this order. Any county wishing to publish this order in a local newspaper may do so, but must pay the publication costs from county funds.

If you have any questions, please feel free to contact me at 505-470-3248.

Sincerely,

Ira Pearson

Ira Pearson, Director
Property Tax Division

IP/ap

P.T.D. ORDER NO. 25-44 December 1, 2025

LIMITATION ON INCREASE IN VALUE FOR SINGLE-FAMILY DWELLINGS OCCUPIED BY LOW-INCOME OWNERS SIXTY-FIVE YEARS OF AGE OR OLDER OR DISABLED FOR TAX YEAR 2026.

Pursuant to NMSA § 7-36-21.3 (2020), the State of New Mexico, Taxation and Revenue Department, Property Tax Division, hereby informs Assessors that:

A. The valuation for property taxation purposes of a single-family dwelling owned and occupied by a person who is sixty-five years of age or older or disabled and whose modified gross income for the prior taxable year did not exceed the greater of thirty-five thousand dollars ($35,000) or the amount calculated pursuant to Subsection F of this section shall not be greater than the assessed valuation of the property for property taxation purposes:

(1) for a person sixty-five years of age or older in the tax year in which the owner qualifies and files an application; or

(2) for a person who is disabled in the tax year in which the owner qualified and files an application for the limitation provided by this section.

B. The limitation provided by this section may be claimed by filing proof of eligibility with the county assessor on an application form furnished by the assessor. The application shall be filed no later than thirty days after the date of mailing by the assessor of the notice of valuation. The application form shall be designed by the department and shall provide for proof of age or disability, occupancy and income eligibility. An owner who applies for the limitation of value specified in this section and files proof of income eligibility for the three consecutive years immediately subsequent to the tax year for which the application is made need not claim the limitation for subsequent tax years if there is no change in eligibility. The county assessor shall apply the limitation automatically in subsequent tax years until a change in eligibility occurs.

C. An owner who has claimed and been allowed the limitation of value specified in this section for the three consecutive tax years immediately prior to the 2020 tax year is not required to claim the limitation for subsequent tax years if there is no change in eligibility, unless the county assessor requests updated information on the owner's modified gross income. The county assessor shall apply the limitation automatically in subsequent tax years until a change in eligibility occurs.

D. A person who has had a limitation applied to a tax year and subsequently becomes ineligible for the limitation because of a change in the person's status or income or a change in the ownership of the property against which the limitation was applied shall notify the county assessor of the loss of eligibility for the limitation by the last day of February of the tax year immediately following the year in which loss of eligibility occurs.

E. A person who knowingly violates the provisions of this section by intentionally claiming and receiving the benefit of a limitation to which the person is not entitled or who fails to comply with

the provisions of Subsection D of this section shall be liable for all taxes due, interest and a civil penalty of one thousand dollars ($1,000).

F. For the 2020 tax year and each subsequent tax year, the maximum amount of modified gross income in Subsection A of this section shall be adjusted to account for inflation. The department shall make the adjustment by multiplying thirty-five thousand dollars ($35,000) by a fraction, the numerator of which is the consumer price index ending during the prior tax year and the denominator of which is the consumer price index ending in tax year 2019. The result of the multiplication shall be rounded down to the nearest one hundred dollars ($100), except that if the result would be an amount less than the corresponding amount for the preceding tax year, then no adjustment shall be made.

G. The department shall publish annually the amount determined by the calculation made pursuant to Subsection F of this section and provide the calculated amount to each county assessor no later than December 1 of each tax year.

H. The limitation of value specified in Subsection A of this section does not apply to:

(1) a change in valuation resulting from any physical improvements made to the property during the year immediately prior to the tax year or a change in the permitted use or zoning of the property during the year immediately prior to the tax year; or

(2) a residential property in the first tax year that is valued for property taxation purposes.

I. As used in this section:

(1) "consumer price index" means the consumer price index for all urban consumers published by the United States department of labor for the month ending September 30;

(2) "disabled" means a person who has been determined to be blind or permanently disabled with medical improvement not expected pursuant to 42 USCA 421 for purposes of the federal Social Security Act or is determined to have a permanent total disability pursuant to the Workers' Compensation Act [Chapter 52, Article 1 NMSA 1978]; and

(3) "modified gross income" means "modified gross income" as used in the Income Tax Act [Chapter 7, Article 2 NMSA 1978].

Done this 1st day of December 2025.

Ira Pearson

Ira Pearson, Director
Property Tax Division