

Council Meeting Staff Report

September 4, 2018

Agenda No.: B.

Indexes (Council Goals):

Presenters: Karen Kendall; Helen Perraglio

Legislative File: 11012-18

Title

Adoption of Property Tax Rates for Calendar Year 2018 as Certified by the State Department of Finance and Administration

Recommended Action

I move that Council adopt the official 2018 Certificate of Property Tax Rates prepared by the State Department of Finance and Administration, Local Government Division shown in Attachment A and forward notification of this adoption to the County Assessor

County Manager's Recommendation

The County Manager recommends that Council approve the certificate of property tax rates as requested.

Body

At the time of publication, the State had not provided the Certificate of Property Tax Rates. The other attachments are based on the rates in the certificate. All attachments will be provided at the meeting.

In accordance with 7-3-38, NMSA 1978, the State of New Mexico Department of Finance and Administration (DFA) must calculate and certify property tax rates for all taxing entities within the State by September 1 of each year. The attached copy of the Certificate of Tax Rates from DFA (Attachment A) provides the 2018 property tax rates as calculated for all governmental units within the County sharing in the total tax levy and in accordance with the Property Tax Code.

The state statutes (7-38-34, NMSA, 1978) require that within five days of receipt of the order, the Board of County Commissioners (our County Council) must issue a written order imposing the tax at the rates certified by DFA and set the net taxable value of property allocated to the appropriate governmental units. A copy of that order is to be delivered immediately to the County Assessor for preparation of the tax schedule before October 1st.

Attachment B compares changes in the residential and non-residential mill levy rates for tax years 2017 and 2018. Attachment B also shows examples of the total taxes due on various levels of property within the County. Individual taxpayers should not assume that their tax bills will change by the same percentage shown on attachment B because changes in individual property valuation are not constant and will affect individual tax bills.

Alternatives

State law does not appear to provide an alternative to this Council action.

Fiscal and Staff Impact/Planned Item

Attachment B shows County total revenue projected from these rates based upon a 99% collection factor. After the schedule is delivered, the Accounts Receivable staff will prepare tax bills and mail them before November 1, 2018. The first installment of the bills becomes delinquent after December 10, 2018 and the second installment after May 10, 2019. These are normal work items in the Assessor's Office and the Finance Division.

Attachments

Attachments will be provided at the Council meeting.

A - Certificate of 2018 Property Tax Rates

B - Property Taxes - Comparison of Rates, Values and Revenues - Tax Years 2017 and 2018

C - Property Taxes - Imposed Rates vs. Levied Rates