

100 N. Main, Suite 2  
Lovington, NM 88260  
Phone: (575)396-8626  
Fax: (575)396-8529  
skennedy@leacounty.net

**Lea County Assessor**  
**Sharla Kennedy**



---

March 23, 2015

Please be advised there have been some changes in the collection requirements for property splits and combinations. These requirements apply to all subdivision plats, and any change in the property description resulting from a split or combination of real property. These changes are mandated by NMSA 1978, §7-38-44.1, which passed the NM State Legislature during the 2013 Session.

The law reads:

A. "For real property subject to valuation for property taxation purposes in a taxable year that is divided or combined, a county shall proceed to determine the taxes due on the property by using the prior year's tax rate if the current tax rates have not been set, and the prior year's value, if the current year value has not been set, and proceed to immediately collect the taxes, penalties, interest and fees through the taxable year in which the property is divided or combined".

B. "A taxpayer shall pay the taxes, penalties, interest and fees due on real property divided or combined through the taxable year in which the property is divided or combined prior to filing a plat".

In other words, taxes for the "parent" legal description(s) become due immediately for all tax years listing that description(s) as the situs. This includes the current tax year, and any subsequent tax year prior to the plat taking effect as the legal description. As you may know, the situs date for New Mexico is January 1 of each year, and legal description on record as of that date determines the property to be taxed for that tax year.

January – September (approx.). Plats filed during this time of year would require full payment of the current year's taxes and any delinquent taxes, penalty, and interest along with the subsequent year's taxes. (Note – "Subsequent year's taxes" refers to the tax year that would be billed in November of that calendar year). Taxes Paid in Advance would be required during this time.

This occurs because the January 1 situs date recorded the “parent” property description for the current calendar year, and this description will be billed in November of that year. The platted descriptions will not appear on the situs until the following calendar year.

October – December (approx.). Plats filed during this time of year would require full payment of any delinquent taxes, penalty, and interest, plus full payment of all taxes billed for that tax year. The platted description will become the situs on January 1 of the following year, so we will **NOT** collect those taxes in advance. However, that all changes if the plat is brought to us in January of the following year, because we will then have to collect all current taxes, along with those calculated for the subsequent year.

Again, January 1 situs date recorded the “parent” property description for the current calendar year, and this description will be billed in November of that year. The platted descriptions will not appear on the situs until the following calendar year.

As for the years paid in advance of their due dates; payments received in advance of a billable tax year are considered “payments in full”. Additional payments for years paid in advance will not become billable, even if property values or tax rates later prove to be higher than the amounts used in determining payment. Considering that tax rates tend to increase over time, paying taxes in advance may actually prove to be a benefit.

The easiest way to determine an outcome is to remember that all taxes, penalty, interest and fees must be paid in advance for all tax years listing the “parent” property as the legal description prior to filing a plat.



Sharla Kennedy

Lea County Assessor



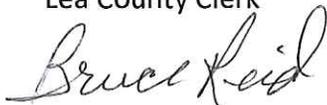
Donna Duncan

Lea County Treasurer



Pat Chappelle

Lea County Clerk



Bruce Reid

Lea County Planner