

# New Mexico Taxation and Revenue to Increase State Cost Collections

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The Property Tax Division recently conducted a study into the actual cost associated with delinquent collections and pro-rated those costs on a per-account basis. PTD calculated its actual collection expenses based on personnel costs and other expenditures from out budgets and operating history. Costs were determined to equate to \$132.68 per resolved account. Consequently, please see the attached Instruction, which is being implemented to establish and increase the uniform cost of collection on all delinquent accounts as outlined below and to reflect more closely the actual cost, as allowed by law. Thank you for your help with this change.

If you have any questions, please contact Rick Silva by e-mail at [Rick.Silva@state.nm.us](mailto:Rick.Silva@state.nm.us), Darrell Lujan, Bureau Chief by e-mail at [darrell@state.nm.us](mailto:darrell@state.nm.us) or Roy Sandoval, In-House Title Examiner Supervisor by e-mail at [roy.sandoval@state.nm.us](mailto:roy.sandoval@state.nm.us) or by phone at 827-0883.

## INSTRUCTION FOR COUNTY TREASURERS

### STATE OF NEW MEXICO

Section 7-38-62 NMSA 1978 provides that, “after the receipt of the tax delinquency list, the department has the responsibility and exclusive authority to take all action necessary to collect delinquent taxes shown on the list.” Section 7-38-62 also provides that the department “may authorize county treasurers to act as its agents in accepting payments of taxes, penalties and interest due.”

Pursuant to this authority, County Treasurers are instructed as follows:

- 1.) County Treasurers are hereby authorized to act as agents for the Department, subject to the requirements of NMAC 3.6.7.71, for accepting payments on accounts placed on the Delinquency List and submitted to the Department.
- 2.) In addition to the base tax, penalty and interest, a \$125.00 cost per account listed on the 2007 Delinquency List shall be collected by all County Treasurers beginning on the date the list is electronically submitted to the Department or July 15, 2010, whichever occurs first. Application and collection of the \$125.00 cost is subject to the provisions in Paragraph 3 below.
- 3.) Accounts transferred on the 2007 Delinquency List that appear on both the 2006 and the 2007 Delinquency Lists, will remain subject to the current \$55.00 cost through December 31, 2010. If the entire delinquent base tax, penalty and interest is not collected on such an account by December 31, 2010, the account will be subject to the \$125.00 beginning January 1, 2011.
- 4.) The cost is a one-time fee that is charged on any account placed on the Delinquency List and submitted to the Department. If the account continues to be delinquent and appears on consecutive delinquency lists, a single \$125.00 cost will be charged. If an account is paid in full resulting in the account not being placed on the Delinquency List for the following year, the account would again be subject to the payment of costs in the event it appears on a future Delinquency List.

County Treasurers are required to comply with this instruction pursuant to the provisions of Section 7-38-62 NMSA 1978.