

Albuquerque Property Taxes Are Out of Control!

If you haven't bought or sold a home lately you may not grasp the magnitude of Albuquerque's property tax burden. Nobody wants to talk about it and the numbers aren't easy to find. But here are five things you really should know before you vote on APS's proposed tax increase.

The City of Albuquerque already has the highest property taxes in the state.

We are number one -- and number two. Residential properties in the City's North Valley (within the MRGCD) are taxed at nearly twice the rate of homes in Santa Fe. Homeowners pay 47.667 mills in the North Valley and 42.598 mills (or more) in the rest of Albuquerque. In Santa Fe homes are taxed at just 24.583 mills; in Las Cruces, 31.315 mills; in Rio Rancho, 35.38 mills and in the South Valley, 36.438 mills.

	City	Total Resi. Mill Levy	School Mill Levy	Prop Tax on \$150k home	Prop Tax on \$200k home	Prop Tax on \$275k home	Prop Tax on \$350k home
1	ABQ: North Valley	47.667	10.473	\$ 2,383	\$ 3,177	\$ 4,368	\$ 5,561
2	ABQ: City	42.598	10.473	\$ 2,130	\$ 2,840	\$ 3,905	\$ 4,969
3	ABQ: South Valley	36.438	10.473	\$ 1,822	\$ 2,429	\$ 3,340	\$ 4,251
4	Rio Rancho	35.380	10.810	\$ 1,769	\$ 2,358	\$ 3,242	\$ 4,127
5	Las Cruces	31.315	9.940	\$ 1,566	\$ 2,088	\$ 2,871	\$ 3,653
6	Roswell	28.334	7.847	\$ 1,417	\$ 1,889	\$ 2,597	\$ 3,306
7	Hobbs	26.121	10.148	\$ 1,306	\$ 1,741	\$ 2,394	\$ 3,047
8	Alamogordo	26.054	9.712	\$ 1,306	\$ 1,737	\$ 2,388	\$ 3,040
9	Carlsbad	24.584	10.175	\$ 1,229	\$ 1,639	\$ 2,254	\$ 2,868
10	Santa Fe	24.583	9.389	\$ 1,229	\$ 1,639	\$ 2,254	\$ 2,868
11	Clovis	23.482	7.417	\$ 1,174	\$ 1,565	\$ 2,152	\$ 2,740
12	Farmington	23.250	9.773	\$ 1,163	\$ 1,550	\$ 2,131	\$ 2,712

High property taxes are taking big money out of your pocket.

Affordability is the #1 reason why Rio Rancho's growth continues to outpace Albuquerque's. Our residential property taxes are 20% higher than Rio Rancho's and in the North Valley they're nearly 35% higher. The dollar difference between paying 47+ mills on a \$275,000 home in the North Valley and 35+ mills on one of the same value in Rio Rancho is about \$1,126 a year. Worse yet, if you bought a \$275,000 home in Santa Fe instead of the North Valley you could save roughly \$2,114 a year in property taxes – and have an extra \$176 to spend every month.

Even now, Albuquerque's school mill levy is almost the highest in the state.

School mill levies in New Mexico's ten largest cities range from 7.42 to 10.81 mills. Rio Rancho is at the top which is no surprise because mill levies are mostly for bricks-and-mortar and they're growing. APS is next, at 10.473 mills, and asking for almost a 20% increase. At 12.473 mills Albuquerque would also have highest school taxes in the state, topping Rio Rancho by 1.7 mills, Las Cruces by 2.5 mills and Santa Fe by 3.1 mills.

APS will continue to take a sizable bite out of your property tax bill, regardless.

The City of Albuquerque and APS (at 11.229 mills and 10.473 mills, respectively) are currently the two biggest items on our tax bills. Increasing APS to 12.473 mills would make it our single largest property tax expense, comprising 28% of City property taxes, one-quarter of the North Valley’s and nearly one-third of the South Valley’s. Even now, APS receives one-quarter of Albuquerque homeowners’ property taxes, 22% of the North Valley’s and 29% of the South Valley’s – and the amount they get increases every year by about 3% just as your taxes do.

An extra 2 mills for APS plus a 3% valuation increase would result in property tax increases of more than 7% next year.

New Mexico has a 3% cap on home valuation increases (unless they’ve been improved or sold) and when your assessed value goes up 3% so do your property taxes. But when voters approve a mill levy, they’re agreeing to pay a higher tax rate on their property’s assessed value – and there’s no cap on what an increased mill levy can add. In the City of Albuquerque 2 mills are 4.7% of the total mill levy, in the North Valley, 4.2% and in the South Valley, 5.5%. So if the mill levy passes and we receive our usual 3% valuation increase, Albuquerque homeowners are looking at 7.2% to 8.5% property tax increases next year.

	ALBUQUERQUE In City / Not in MRGCD				NORTH VALLEY In City / In MRGCD				SOUTH VALLEY Outside of City / Inside MRGCD			
	Est. 2018 Tax Bill	+ 3% Increase	+ 2 Mill Increase	Est. 2019 Tax Bill	Est. 2018 Tax Bill	+ 3% Increase	+ 2 Mill Increase	Est. 2019 Tax Bill	Est. 2018 Tax Bill	+ 3% Increase	+ 2 Mill Increase	Est. 2019 Tax Bill
\$150k Assessed Value	\$ 2,130	\$ 64	\$ 100	\$ 2,294	\$ 2,383	\$ 71	\$ 100	\$ 2,554	\$ 1,822	\$ 55	\$ 100	\$ 1,977
\$200k Assessed Value	\$ 2,840	\$ 85	\$ 133	\$ 3,059	\$ 3,177	\$ 95	\$ 133	\$ 3,406	\$ 2,429	\$ 73	\$ 133	\$ 2,635
\$275k Assessed Value	\$ 3,905	\$ 117	\$ 183	\$ 4,205	\$ 4,368	\$ 131	\$ 183	\$ 4,682	\$ 3,340	\$ 100	\$ 183	\$ 3,624
\$350k Assessed Value	\$ 4,969	\$ 149	\$ 233	\$ 5,351	\$ 5,561	\$ 167	\$ 233	\$ 5,961	\$ 4,251	\$ 128	\$ 233	\$ 4,612

We’re like frogs in a pot of water that’s been warmed so gradually we don’t realize we’re being boiled to death. Two mills here, a half mill there, and now we’re paying higher property taxes than anyone else one in the state – and 73% to 94% more than Santa Fe. That’s just crazy.

Come on folks. Enough is enough. Vote NO on the APS 2 mill increase.

Amy L. Horowitz, retired Realtor®