



Business Registration In The Municipalities In Which You Conduct Business
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Running a brokerage has many moving parts and sometimes things fall through the cracks. However, something that shouldn't be overlooked is your business license or registration. In this article, I will be discussing New Mexico law and when you may need to register your business in multiple municipalities.

Under New Mexico law, the legislature has granted each municipality in the state the authority to license or regulate businesses within the municipality as they see fit. Municipalities in turn have taken this grant of authority and many have promulgated ordinances requiring businesses that operate within the limits of the municipality to register their business or obtain a business license. Because each town, city, and village are able to self-govern in this regard, the requirements can vary from one municipality to another. However, one consistency is that the business registration/license fees, if required, cannot be more than \$35.00 per year, as it is capped by statute. It is important to note that other fees may be included or required, depending on local requirements for registration.

So what does this mean for my brokerage? Essentially, it means that you may need to register your business or obtain a business license, whichever is applicable, for each municipality in which you do business. For example, if a brokerage is physically located in Albuquerque and lists properties there, it must register with the City of Albuquerque. If the same brokerage also lists properties in Rio Rancho, it must obtain a business license in Rio Rancho as well. This principle applies to all municipalities, including towns and villages throughout the state.

Since each municipality may regulate businesses at their own discretion, some may require registration, while others may require business licenses, and a few may not have a requirement at all. Because the requirements for each municipality are different, it is important to check with the municipalities in which you are doing business for their requirements, many of which have information on their websites. Failure to register a business per local ordinances may lead to fines and penalties for non-compliance. If you have any questions, please reach out to the Legal Hotline at 505-981-1583 or legalhotline@nmrealtor.com.