

Colorado Legislative Changes in Property Taxes

Tony Werckman

Division of Property Tax

8/19/2022



COLORADO
Department of Local Affairs

Agenda

- Very Brief History of Colorado Property Tax
 - Gallagher Amendment
 - TABOR Amendment
 - Amendment B
- 2021 Legislative Changes
- 2022 Legislative Changes
- Citizen Initiative Process
- Current Court Cases



Colorado Property Tax



- Constitution
- Statutory Law
- Case Law



Gallagher Amendment

- 1982
- Amendment One, Constitutional Amendment
 - 45%/55% split between residential and nonresidential
 - Stabilize Revenue from Residential Property
- Approaches to Value
- Audit
- Precipitated
 - Classification of apartments as residential
 - Multi-use properties proportioned



COLORADO

Department of Local Affairs

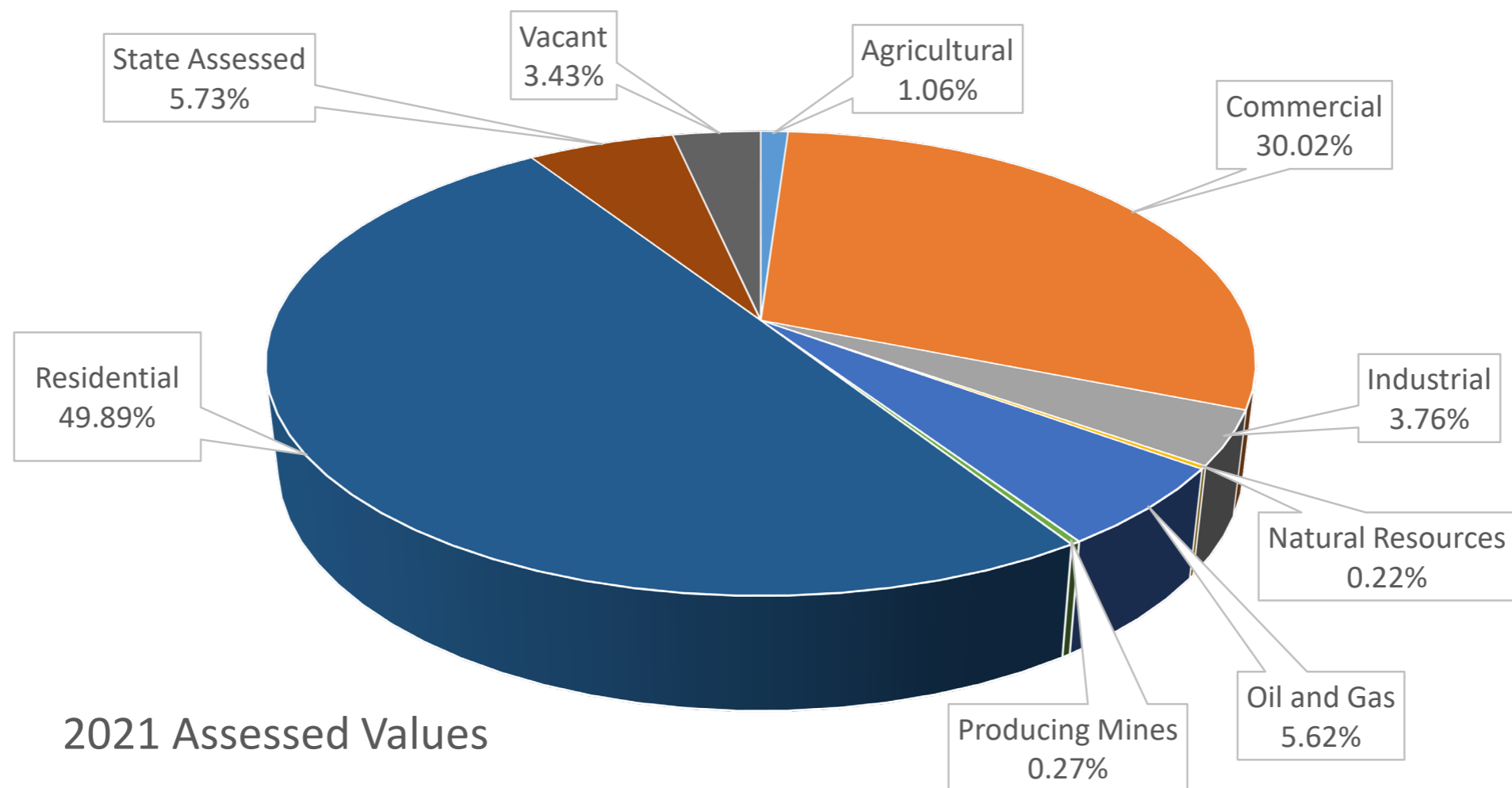
Taxpayer Bill of Rights (TABOR)

- 1992
 - Restricts Revenue for government
 - No tax increase without voter approval
 - Restrict spending revenue based on existing tax rates along with inflation and population growth
 - Residential Valuation
 - Residential Assessment Rate



Amendment B

- 2020
 - 45%/55% split between residential and non-residential repealed
 - Repeal the 29% nonresidential assessment rate



2021 Legislative Changes

- HB21-1061 - Residential Land
- HB21-1083 - BAA, District Court, Binding Arbitration
- HB21-1312 - Personal Property Tax



2021 Legislative Changes

- SB21-293 - Property Tax Classification & Assessment Rates
 - Established Lodging Property (29%)
 - Established Renewable Energy Production and AG (26.4%*)
 - Establish Multi-family classification (6.8%*)
 - Duplex, Triplex, 4+ units
 - Other Residential (6.95%*)
 - * 2022 and 2023 only



2022 State Classifications

RESIDENTIAL

Real Property:

1020* Residential-Possessory Interest
1112/1212 Single Family Residence
4277 Farm/Ranch Residence
1115/1215 Duplexes-Triplexes
1120/1220 Multi-Units (4-8)
1125/1225 Multi-Units (9+)
1230** Condominiums
1135/1235 Manufactured Housing
4278 Farm/Ranch Mfd. Homes
1140/1240 Mfd. Housing Parks
1150/1250 Partially Exempt
1177/1277 Property Not Integral to
Ag Operation
1278 Mfd. Home Not Integral to Ag

COMMERCIAL

Real Property:

2020* Airport-Possessory Interest
2021* Entertainment-Possessory Interest
2022* Recreation-Possessory Interest
2023* Other Comm-Possessory Interest
2112/2212 Merchandising
2115/2215 Lodging
2117/2217 Renewable Energy
2120/2220 Offices
2125/2225 Recreation
2127/2227 Limited Gaming
2130/2230 Special Purpose
2135/2235 Warehouse/Storage
2140/2240 Multi-Use
2245** Commercial Condominiums
2150/2250 Partially Exempt (Tax. part)

Personal Property:

1410 Residential Personal Property
2040 Comm PP Possessory Interest
2405 Ltd Gaming Personal Property
2410 Other Personal Property
2412 Lodging Personal Property



2022 Legislative Changes

- HB22-1223 - Mobile & Manufactured Homes
- HB22-1242 - Tiny Homes
- HB22-1296 - Nursing Homes
- HB22-1301 - Controlled Environment Agricultural Facility (CEAF)



2022 Legislative Changes

- HB22-1416 - PTA Procedures
- SB22-238 - 2023 & 2024 Property Tax

Class or Subclass	2022 assessment rate	2023 assessment rate	2024 assessment rate
Residential (not multi-family)	6.95%	6.765%	Recommended by DPT to Legislature
Residential Multi-family	6.8%	6.765%	6.8%
Improved Commercial	29%	27.9%	29%
All other Non-residential	29%	27.9%	29%
Ag and Renewable Energy (Real and Personal)	26.4%	NO CHANGE	NO CHANGE
Personal Property	29%	27.9%	29%

- Actual Value Reduction for Residential & Improved Commercial
- Complicated Reimbursement Procedure for 2023



Citizen Initiative Process

- Our constitution allows citizens to bring forth constitutional amendments or statutory propositions
- Secretary of State Procedures & Guidelines
- Property Tax Initiatives
 - 4 Initiatives in 2021
 - 26 Initiatives in 2022



Citizen Initiative Process

Initiative Process

- General Assembly:
 - <https://leg.colorado.gov/content/initiatives/initiatives-blue-book-overview>
- Secretary of State:
 - <https://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html>



Citizen Initiative Process

- Steps in Initiative Process
 - Submit Proposal to Colorado Legislative Council
 - In 2022, March 25 was the last day
 - Review & Comment
 - Submit Revised Proposal
 - File with Secretary of State
 - In 2022, April 8 was the last day for Title Setting



Citizen Initiative Process

- Steps in Initiative Process
 - Title Setting
 - Leg. Council prepares Fiscal Note
 - Single subject (yes/no)
 - Revisions, Rehearings, Appeals, Signatures
 - Verification, Curing, Protesting
 - Placement on the Ballot



Current Court Cases

- COVID - An Unusual Condition for 2020?
- Classification of Rehabilitation Centers
- Tax Increment Financing (TIF)



Future Legislation?



- Short Term Rentals
- Citizen Initiatives
- Rate changes at subclass level

Questions?



Contact Information:

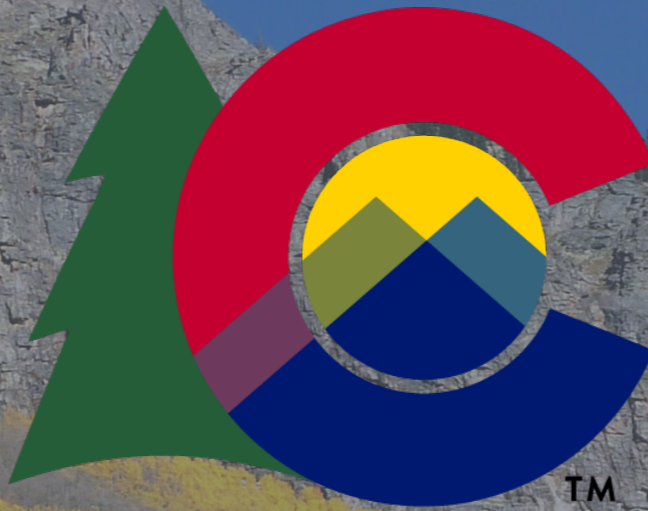
tony.werckman@state.co.us

303-864-7767





COLORADO
Department of Local Affairs



Legislative Changes in Property Taxes & 2023 Statewide Valuation Increases

Tony Werckman

Division of Property Tax

Keith Erffmeyer

Denver County Assessor

8/19/2022



COLORADO
Department of Local Affairs



DENVER
THE MILE HIGH CITY