

An Act

SENATE BILL 20-223

BY SENATOR(S) Hansen and Tate, Bridges, Crowder, Donovan, Fenberg, Fields, Ginal, Gonzales, Lee, Moreno, Priola, Rankin, Story, Todd, Williams A., Winter, Garcia;
also REPRESENTATIVE(S) Esgar and Soper, Bird, Buentello, Exum, Gray, Kipp, McCluskie, Singer, Snyder, Titone, Woodrow.

CONCERNING A MORATORIUM ON CHANGING A RATIO OF VALUATION FOR ASSESSMENT FOR ANY CLASS OF PROPERTY FOR PROPERTY TAXATION THAT IS CONTINGENT ON THE REPEAL OF RELATED CONSTITUTIONAL PROVISIONS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, **add** 39-1-103.8 as follows:

39-1-103.8. Valuation for assessment - future increases. BEGINNING WITH THE PROPERTY TAX YEAR THAT COMMENCES ON JANUARY 1, 2020, THERE IS A MORATORIUM ON CHANGING THE RATIO OF VALUATION FOR ASSESSMENT FOR ANY CLASS OF PROPERTY.

SECTION 2. In Colorado Revised Statutes, 39-1-104, **repeal** (1.5)

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

as follows:

39-1-104. Valuation for assessment - definitions.

(1.5) Residential real property shall be valued for assessment at twenty-one percent of its actual value, except as provided in section 39-1-104.2.

SECTION 3. In Colorado Revised Statutes, 39-1-104.2, amend (3)(q); and repeal (4), (5), and (6) as follows:

39-1-104.2. Adjustment of residential rate - legislative declaration - definitions. (3) (q) ~~Based on the determination by the administrator that the target percentage is 45.69 percent,~~ The ratio of valuation for assessment for residential real property is 7.15 percent of actual value for property tax years commencing on or after January 1, 2019, until the next property tax year that the general assembly adjusts the ratio of valuation for assessment for residential real property.

(4) ~~To ensure that in present and future years there is no deviation from the intent of section 3 of article X of the state constitution:~~

(a) ~~Commencing January 1, 1989, for each year in which there is a change in the level of value, the administrator shall determine the target percentage in order to ensure that the percentage of the aggregate statewide valuation for assessment which is attributable to residential real property remains the same as it was in the year immediately preceding the year in which such change occurs. In determining the target percentage, the administrator shall use data concerning valuation for assessment which has been adjusted to eliminate the effects of having rounded the then current residential rate to the nearest one-hundredth of one percent. The net increase in valuation for assessment attributable to new construction and to the net increase in the volume of mineral and oil and gas production shall be added to the valuation for assessment, as so adjusted. The sum so determined shall be the basis on which the target percentage is calculated.~~

(b) ~~In order to implement the provisions of paragraph (a) of this subsection (4), the administrator shall use data concerning the 1987 valuation for assessment when the aggregate statewide valuation for assessment was based on the 1985 aggregate statewide valuation for assessment plus the net increase in valuation for assessment attributable to new construction and to the net increase in the volume of mineral and oil~~

~~and gas production which occurred during 1986. The administrator shall add the 1988 net increase in valuation for assessment attributable to new construction and the net increase in the volume of mineral and oil and gas production to the 1987 aggregate statewide valuation for assessment, and the resulting amounts shall be the basis for determining the target percentage for 1989.~~

~~(5) (a) Commencing January 1, 1989, for each year in which there is a change in the level of value used in determining actual value, the general assembly, pursuant to the authority granted in section 3 of article X of the state constitution, shall, by law, adjust the residential rate in order that the percentage of aggregate statewide valuation for assessment which is attributable to residential real property for such year equals the target percentage:~~

~~(b) The residential rate shall be based on a documented estimate of the total valuation for assessment of all taxable property in the state arrived at by projecting the percentage of change in the level of value for each class of taxable property to all taxable property in such class in the state:~~

~~(c) The administrator shall be responsible for ensuring that a documented estimate study is completed by the division of property taxation:~~

~~(6) No later than January 15 of each year in which there is a change in the level of value used in determining actual value, the administrator shall report to the state board of equalization:~~

~~(a) An estimate of the total valuation for assessment of all taxable property in the state;~~

~~(b) An estimate of the percentage of aggregate statewide valuation for assessment which would be attributable to residential real property if the residential rate fixed in current law remained the same. Such estimate shall be based upon the projected valuations as determined by the documented study:~~

~~(c) The target percentage as determined under paragraph (a) of subsection (4) of this section;~~

~~(d) The projected residential rate. The rate shall be rounded to the nearest one-hundredth of one percent, and the rate shall ensure that the percentage of the aggregate statewide valuation for assessment which is attributable to residential real property shall remain as it was in the year immediately preceding the year in which such change occurs.~~

SECTION 4. In Colorado Revised Statutes, 39-1-121, **amend** (1)(c) as follows:

39-1-121. Expression of rate of property taxation in dollars per thousand dollars of valuation for assessment - definitions. (1) As used in this section, unless the context otherwise requires:

(c) "Valuation for assessment" means the actual value of any real or personal property multiplied by the assessment percentages specified in ~~section 3 of article X of the state constitution~~ LAW.

SECTION 5. Effective date. (1) Except as otherwise provided in subsection (2) of this section, this act takes effect upon passage.

(2) Sections 1 to 4 of this act take effect only if, at the November 2020 statewide election, a majority of voters approve the ballot issue referred in accordance with section 2 of Senate Concurrent Resolution 20-001. If the voters approve the ballot issue, then sections 1 to 4 of this act take effect on the date of the governor's proclamation or January 1, 2021, whichever is later.

SECTION 6. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.



Leroy M. Garcia
PRESIDENT OF
THE SENATE



KC Becker
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

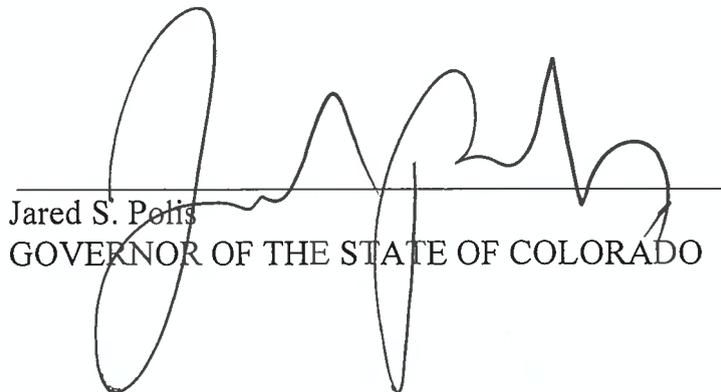


Cindi L. Markwell
SECRETARY OF
THE SENATE



Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED July 13, 2020 at 2:46pm
(Date and Time)



Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO