

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. R16-0304.01 Esther van Mourik x4215

SCR16-002

SENATE SPONSORSHIP

Baumgardner, Steadman

HOUSE SPONSORSHIP

Vigil,

Senate Committees
Finance

House Committees

SENATE CONCURRENT RESOLUTION 16-002

101 SUBMITTING TO THE REGISTERED ELECTORS OF THE STATE OF
102 COLORADO AN AMENDMENT TO THE COLORADO CONSTITUTION
103 CONCERNING AN EXEMPTION FROM PROPERTY TAXATION FOR A
104 POSSESSORY INTEREST IN REAL PROPERTY IF THE ACTUAL
105 VALUE OF THE INTEREST IS LESS THAN OR EQUAL TO SIX
106 THOUSAND DOLLARS OR SUCH AMOUNT ADJUSTED FOR
107 INFLATION.

Resolution Summary

(Note: This summary applies to this resolution as introduced and does not reflect any amendments that may be subsequently adopted. If this resolution passes third reading in the house of introduction, a resolution summary that applies to the reengrossed version of this resolution will be available at <http://www.leg.state.co.us/billsummaries>.)

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

For property tax years commencing on or after January 1, 2018, the concurrent resolution creates an exemption from property taxation for possessory interests in real property with specified actual values.

1 *Be It Resolved by the Senate of the Seventieth General Assembly*
2 *of the State of Colorado, the House of Representatives concurring herein:*

3 **SECTION 1.** At the election held on November 8, 2016, the
4 secretary of state shall submit to the registered electors of the state the
5 ballot title set forth in section 2 for the following amendment to the state
6 constitution:

7 In the constitution of the state of Colorado, section 3 of article X,
8 **amend** (1) (b) as follows:

9 **Section 3. Uniform taxation - exemptions.**

10 (1) (b) (I) Residential real property, which shall include all residential
11 dwelling units and the land, as defined by law, on which such units are
12 located, and mobile home parks, but shall not include hotels and motels,
13 shall be valued for assessment at twenty-one percent of its actual value.

14 For the property tax year commencing January 1, 1985, the general
15 assembly shall determine the percentage of the aggregate statewide
16 valuation for assessment which is attributable to residential real property.

17 For each subsequent year, the general assembly shall again determine the
18 percentage of the aggregate statewide valuation for assessment which is
19 attributable to each class of taxable property, after adding in the increased
20 valuation for assessment attributable to new construction and to increased
21 volume of mineral and oil and gas production. For each year in which
22 there is a change in the level of value used in determining actual value,
23 the general assembly shall adjust the ratio of valuation for assessment for

1 residential real property which is set forth in this paragraph (b) as is
2 necessary to insure that the percentage of the aggregate statewide
3 valuation for assessment which is attributable to residential real property
4 shall remain the same as it was in the year immediately preceding the year
5 in which such change occurs. Such adjusted ratio shall be the ratio of
6 valuation for assessment for residential real property for those years for
7 which such new level of value is used. In determining the adjustment to
8 be made in the ratio of valuation for assessment for residential real
9 property, the aggregate statewide valuation for assessment that is
10 attributable to residential real property shall be calculated as if the full
11 actual value of all owner-occupied primary residences that are partially
12 exempt from taxation pursuant to section 3.5 of this article was subject to
13 taxation. All other taxable property shall be valued for assessment at
14 twenty-nine percent of its actual value. However, the valuation for
15 assessment for producing mines, as defined by law, and lands or
16 leaseholds producing oil or gas, as defined by law, shall be a portion of
17 the actual annual or actual average annual production therefrom, based
18 upon the value of the unprocessed material, according to procedures
19 prescribed by law for different types of minerals. Non-producing
20 unpatented mining claims, which are possessory interests in real property
21 by virtue of leases from the United States of America, shall be exempt
22 from property taxation. OTHER POSSESSORY INTERESTS IN REAL PROPERTY
23 SHALL BE EXEMPT FROM PROPERTY TAXATION AS SPECIFIED IN
24 SUBPARAGRAPH (II) OF THIS PARAGRAPH (b).

25 (II) (A) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY
26 1, 2018, A POSSESSORY INTEREST IN REAL PROPERTY SHALL BE EXEMPT
27 FROM THE LEVY AND COLLECTION OF PROPERTY TAX IF THE ACTUAL VALUE

1 OF SUCH POSSESSORY INTEREST IN REAL PROPERTY IS LESS THAN OR EQUAL
2 TO SIX THOUSAND DOLLARS.

3 (B) FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER
4 JANUARY 1, 2019, A POSSESSORY INTEREST IN REAL PROPERTY SHALL BE
5 EXEMPT FROM THE LEVY AND COLLECTION OF PROPERTY TAX IF THE
6 ACTUAL VALUE OF SUCH POSSESSORY INTEREST IN REAL PROPERTY IS LESS
7 THAN OR EQUAL TO SIX THOUSAND DOLLARS ADJUSTED BIENNIALY TO
8 ACCOUNT FOR INFLATION AS DEFINED IN SECTION 20 (2) (f) OF ARTICLE X
9 OF THIS CONSTITUTION. ON OR BEFORE NOVEMBER 1, 2018, AND ON OR
10 BEFORE NOVEMBER 1 OF EACH EVEN-NUMBERED YEAR THEREAFTER, THE
11 PROPERTY TAX ADMINISTRATOR SHALL CALCULATE THE AMOUNT OF THE
12 EXEMPTION FOR THE NEXT TWO-YEAR CYCLE USING INFLATION FOR THE
13 PRIOR TWO CALENDAR YEARS AS OF THE DATE OF THE CALCULATION. THE
14 ADJUSTED EXEMPTION SHALL BE ROUNDED UPWARD TO THE NEAREST
15 ONE-HUNDRED-DOLLAR INCREMENT. THE ADMINISTRATOR SHALL CERTIFY
16 THE AMOUNT OF THE EXEMPTION FOR THE NEXT TWO-YEAR CYCLE AND
17 PUBLISH THE AMOUNT IN A MANNER PROVIDED BY LAW.

18 **SECTION 2.** Each elector voting at the election may cast a vote
19 either "Yes/For" or "No/Against" on the following ballot title: "Shall
20 there be an amendment to the Colorado constitution concerning an
21 exemption from property taxation for a possessory interest in real
22 property if the actual value of the interest is less than or equal to six
23 thousand dollars or such amount adjusted for inflation?"

24 **SECTION 3.** Except as otherwise provided in section 1-40-123,
25 Colorado Revised Statutes, if a majority of the electors voting on the
26 ballot title vote "Yes/For", then the amendment will become part of the
27 state constitution.