

**Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO**

**ENGROSSED**

*This Version Includes All Amendments Adopted  
on Second Reading in the House of Introduction*

LLS NO. 20-1323.01 Ed DeCecco x4216

**SENATE BILL 20-223**

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**SENATE SPONSORSHIP**

**Hansen and Tate,**

**HOUSE SPONSORSHIP**

**(None),**

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**Senate Committees**  
Finance

**House Committees**

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**A BILL FOR AN ACT**

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

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**Bill Summary**

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

The bill only takes effect if the voters statewide approve the repeal of constitutional provisions related to the ratio of valuation for assessment for residential property and nonresidential property set forth in Senate

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

SENATE  
2nd Reading Unamended  
June 10, 2020

Concurrent Resolution 20-001. **Section 1** of the bill states that 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. **Sections 2, 3, and 4** make conforming amendments to reflect the provisions repealed.

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

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

4 **39-1-103.8. Valuation for assessment - future increases.**  
5 BEGINNING WITH THE PROPERTY TAX YEAR THAT COMMENCES ON  
6 JANUARY 1, 2020, THERE IS A MORATORIUM ON CHANGING THE RATIO OF  
7 VALUATION FOR ASSESSMENT FOR ANY CLASS OF PROPERTY.

8 **SECTION 2.** In Colorado Revised Statutes, 39-1-104, **repeal**  
9 (1.5) as follows:

10 **39-1-104. Valuation for assessment - definitions.**  
11 (1.5) ~~Residential real property shall be valued for assessment at~~  
12 ~~twenty-one percent of its actual value, except as provided in section~~  
13 ~~39-1-104.2.~~

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

16 **39-1-104.2. Adjustment of residential rate - legislative**  
17 **declaration - definitions.** (3) (q) ~~Based on the determination by the~~  
18 ~~administrator that the target percentage is 45.69 percent,~~ The ratio of  
19 valuation for assessment for residential real property is 7.15 percent of  
20 actual value for property tax years commencing on or after January 1,  
21 2019, until the next property tax year that the general assembly adjusts the  
22 ratio of valuation for assessment for residential real property.

23 (4) ~~To ensure that in present and future years there is no deviation~~

1 from the intent of section 3 of article X of the state constitution:

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

16 (b) In order to implement the provisions of paragraph (a) of this  
17 subsection (4), the administrator shall use data concerning the 1987  
18 valuation for assessment when the aggregate statewide valuation for  
19 assessment was based on the 1985 aggregate statewide valuation for  
20 assessment plus the net increase in valuation for assessment attributable  
21 to new construction and to the net increase in the volume of mineral and  
22 oil and gas production which occurred during 1986. The administrator  
23 shall add the 1988 net increase in valuation for assessment attributable to  
24 new construction and the net increase in the volume of mineral and oil  
25 and gas production to the 1987 aggregate statewide valuation for  
26 assessment, and the resulting amounts shall be the basis for determining  
27 the target percentage for 1989.

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

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

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

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

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

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

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

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

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

8           **39-1-121. Expression of rate of property taxation in dollars**  
9 **per thousand dollars of valuation for assessment - definitions.** (1) As  
10 used in this section, unless the context otherwise requires:

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

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

16           (2) Sections 1 to 4 of this act take effect only if, at the November  
17 2020 statewide election, a majority of voters approve the ballot issue  
18 referred in accordance with section 2 of Senate Concurrent Resolution  
19 20-001. If the voters approve the ballot issue, then sections 1 to 4 of this  
20 act take effect on the date of the governor's proclamation or January 1,  
21 2021, whichever is later.

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