

**First Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO**

**ENGROSSED**

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

LLS NO. 21-1030.03 Ed DeCecco x4216

**SENATE BILL 21-293**

---

**SENATE SPONSORSHIP**

**Hansen and Rankin,**

**HOUSE SPONSORSHIP**

**Esgar,**

---

**Senate Committees**

Finance  
Appropriations

**House Committees**

---

**A BILL FOR AN ACT**

101       **CONCERNING PROPERTY TAXATION, AND, IN CONNECTION THEREWITH,**  
102               **ESTABLISHING SUBCLASSES OF RESIDENTIAL AND**  
103               **NONRESIDENTIAL PROPERTY; FOR THE 2022 AND 2023 PROPERTY**  
104               **TAX YEARS, TEMPORARILY REDUCING THE ASSESSMENT RATE**  
105               **FOR PROPERTY CLASSIFIED AS AGRICULTURAL PROPERTY OR**  
106               **RENEWABLE ENERGY PRODUCTION PROPERTY FROM**  
107               **TWENTY-NINE PERCENT TO TWENTY-SIX AND FOUR-TENTHS**  
108               **PERCENT, FOR PROPERTY CLASSIFIED AS MULTI-FAMILY**  
109               **RESIDENTIAL REAL PROPERTY FROM SEVEN AND FIFTEEN**  
110               **ONE-HUNDREDTHS PERCENT TO SIX AND EIGHT-TENTHS**  
111               **PERCENT, CONTINGENT ON A RELATED INITIATIVE NOT BEING**  
112               **APPROVED BY VOTERS, AND FOR ALL OTHER RESIDENTIAL**  
113               **PROPERTY FROM SEVEN AND FIFTEEN ONE-HUNDREDTHS**

*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  
Amended 2nd Reading  
June 4, 2021

101           PERCENT TO SIX AND NINETY-FIVE ONE-HUNDREDTHS PERCENT;  
102           RESTRUCTURING THE ASSESSMENT RATE LAWS; AND EXPANDING  
103           THE PROPERTY TAX DEFERRAL PROGRAM TO ALLOW TAXPAYERS  
104           TO DEFER INCREASES IN PROPERTY TAXES IN LIMITED  
105           CIRCUMSTANCES.

---

### 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>.)*

**Section 1** of the bill repeals a moratorium on changing a ratio for valuation for assessment (assessment rate), which is the percentage applied to a property's actual value to determine the taxable amount upon which a mill levy is imposed. **Section 2** classifies agricultural property, lodging property, and renewable energy production property as new subclasses of nonresidential property. The assessment rate for agricultural property and renewable energy production property is temporarily reduced from 29% to 26.4% for the next 2 property tax years. The law is restructured so that, if a proposed initiative to reduce the assessment rate for nonresidential property is approved by voters, then it would only apply to lodging property.

**Section 3** classifies multi-family residential real property as a new subclass of residential real property. The law is restructured so that, if a proposed initiative to reduce the residential assessment rate is approved by voters, then it would only apply to multi-family residential real property. If the initiative fails, then, under **section 4**, the assessment rate for multi-family residential real property is temporarily reduced from 7.15% to 6.8% for the next 2 property tax years. The assessment rate for all residential real property other than multi-family property is temporarily reduced from 7.15% to 6.95% for the next 2 property tax years.

**Sections 5 through 8** expand the property tax deferral program to allow any person to defer the payment of the portion of real property taxes that exceed the tax-growth cap, which is an amount equal to the average of the person's real property taxes paid for the preceding 2 property tax years for the same homestead, increased by 4.6%. The total taxes that a taxpayer may defer under this authorization is \$10,000, and the taxpayer is treated like a person called into military service for purposes of the equity the person must have in the homestead to qualify

for deferral and surviving-spouse eligibility.

---

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

2           **SECTION 1.** In Colorado Revised Statutes, **repeal** 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 January 1, 2020,~~  
6 ~~there is a moratorium on changing the ratio of valuation for assessment~~  
7 ~~for any class of property.~~

8           **SECTION 2.** In Colorado Revised Statutes, 39-1-104, **amend** (1);  
9 and **add** (1.6) and (1.8) as follows:

10           **39-1-104. Valuation for assessment - definitions.** (1) The  
11 valuation for assessment of all taxable property in the state shall be  
12 twenty-nine percent of the actual value thereof as determined by the  
13 assessor and the administrator in the manner prescribed by law, and such  
14 percentage shall be uniformly applied, without exception, to the actual  
15 value, so determined, of the ~~various classes and subclasses of real and~~  
16 ~~personal property located within the territorial limits of the authority~~  
17 ~~levying a property tax, and all property taxes shall be levied against the~~  
18 ~~aggregate valuation for assessment resulting from the application of such~~  
19 ~~percentage. This subsection (1) shall not apply to residential real property,~~  
20 ~~producing mines, and lands or leaseholds producing oil or gas~~ ONLY  
21 APPLIES TO REAL AND PERSONAL NONRESIDENTIAL PROPERTY THAT IS  
22 CLASSIFIED AS LODGING PROPERTY.

23           (1.6) (a) HOTELS, MOTELS, BED AND BREAKFASTS, AND PERSONAL  
24 PROPERTY LOCATED AT A HOTEL, MOTEL, OR BED AND BREAKFAST ARE  
25 CLASSIFIED AS LODGING PROPERTY, WHICH IS A SUBCLASS OF

1 NONRESIDENTIAL PROPERTY. CLASSIFICATION AS A LODGING PROPERTY  
2 DOES NOT AFFECT AN ALLOCATION AS RESIDENTIAL REAL PROPERTY IF A  
3 LODGING PROPERTY IS A MIXED-USE PROPERTY.

4 (b) REAL AND PERSONAL PROPERTY VALUED UNDER SECTION  
5 39-4-102 (1)(e) OR (1.5) OR SECTION 39-5-104.7 IS CLASSIFIED AS  
6 RENEWABLE ENERGY PRODUCTION PROPERTY, WHICH IS A SUBCLASS OF  
7 NONRESIDENTIAL PROPERTY.

8 (c) REAL AND PERSONAL AGRICULTURAL PROPERTY IS A SUBCLASS  
9 OF NONRESIDENTIAL PROPERTY.

10 (1.8) (a) THE VALUATION FOR ASSESSMENT OF REAL AND  
11 PERSONAL PROPERTY THAT IS CLASSIFIED AS AGRICULTURAL PROPERTY OR  
12 RENEWABLE ENERGY PRODUCTION PROPERTY IS TWENTY-NINE PERCENT OF  
13 THE ACTUAL VALUE THEREOF; EXCEPT THAT, FOR PROPERTY TAX YEARS  
14 COMMENCING ON JANUARY 1, 2022, AND JANUARY 1, 2023, THE  
15 VALUATION FOR ASSESSMENT IS TEMPORARILY REDUCED TO TWENTY-SIX  
16 AND FOUR-TENTHS PERCENT OF THE ACTUAL VALUE THEREOF.

17 (b) (I) THE VALUATION FOR ASSESSMENT OF ALL NONRESIDENTIAL  
18 PROPERTY THAT IS NOT SPECIFIED IN SUBSECTION (1) OR (1.8)(a) OF THIS  
19 SECTION IS TWENTY-NINE PERCENT OF THE ACTUAL VALUE THEREOF.

20 (II) SUBSECTION (1.8)(b)(I) OF THIS SECTION DOES NOT APPLY TO  
21 PRODUCING MINES AND LANDS OR LEASEHOLDS PRODUCING OIL OR GAS.

22 (c) THE ACTUAL VALUE OF REAL AND PERSONAL PROPERTY  
23 SPECIFIED IN SUBSECTION (1.8)(a) OR (1.8)(b) OF THIS SECTION IS  
24 DETERMINED BY THE ASSESSOR AND THE ADMINISTRATOR IN THE MANNER  
25 PRESCRIBED BY LAW, AND A VALUATION FOR ASSESSMENT PERCENTAGE IS  
26 UNIFORMLY APPLIED, WITHOUT EXCEPTION, TO THE ACTUAL VALUE, SO  
27 DETERMINED, OF THE VARIOUS CLASSES AND SUBCLASSES OF REAL AND

1 PERSONAL PROPERTY LOCATED WITHIN THE TERRITORIAL LIMITS OF THE  
2 AUTHORITY LEVYING A PROPERTY TAX, AND ALL PROPERTY TAXES ARE  
3 LEVIED AGAINST THE AGGREGATE VALUATION FOR ASSESSMENT  
4 RESULTING FROM THE APPLICATION OF THE PERCENTAGE.

5 **SECTION 3.** In Colorado Revised Statutes, 39-1-104.2, **amend**  
6 (1)(a) and (3)(q); and **add** (3)(r) as follows:

7 **39-1-104.2. Adjustment of residential rate - legislative**  
8 **declaration - definitions.** (1) As used in this section, unless the context  
9 otherwise requires:

10 (a) ~~"Residential rate" means the ratio of valuation for assessment~~  
11 ~~for residential real property fixed in accordance with this section.~~

12 "MULTI-FAMILY RESIDENTIAL REAL PROPERTY" MEANS A DUPLEX, A  
13 TRIPLEX, AND MULTI-UNIT STRUCTURES OF FOUR OR MORE UNITS, ALL OF  
14 WHICH ARE BASED ON THE CLASS CODES ESTABLISHED IN THE MANUAL  
15 PUBLISHED BY THE ADMINISTRATOR. MULTI-FAMILY RESIDENTIAL REAL  
16 PROPERTY IS A SUBCLASS OF RESIDENTIAL REAL PROPERTY.

17 (3) (q) The ratio of valuation for assessment for MULTI-FAMILY  
18 residential real property is 7.15 percent of actual value for property tax  
19 years commencing on or after January 1, 2019, until the next property tax  
20 year that the general assembly adjusts the ratio of valuation for  
21 assessment for residential real property.

22 (r) THE RATIO OF VALUATION FOR ASSESSMENT FOR ALL  
23 RESIDENTIAL REAL PROPERTY OTHER THAN MULTI-FAMILY RESIDENTIAL  
24 REAL PROPERTY IS 7.15 PERCENT OF ACTUAL VALUE; EXCEPT THAT, FOR  
25 PROPERTY TAX YEARS COMMENCING ON JANUARY 1, 2022, AND JANUARY  
26 1, 2023, THE RATIO OF VALUATION FOR ASSESSMENT FOR ALL RESIDENTIAL  
27 PROPERTY OTHER THAN MULTI-FAMILY RESIDENTIAL REAL PROPERTY IS

1 TEMPORARILY REDUCED TO 6.95 PERCENT OF ACTUAL VALUE.

2 **SECTION 4.** In Colorado Revised Statutes, 39-1-104.2, **amend**  
3 (3)(q) as follows:

4 **39-1-104.2. Adjustment of residential rate - legislative**  
5 **declaration - definitions.** (3) (q) The ratio of valuation for assessment  
6 for MULTI-FAMILY residential real property is 7.15 percent of actual value  
7 for property tax years commencing on or after January 1, 2019; ~~until the~~  
8 ~~next property tax year that the general assembly adjusts the ratio of~~  
9 ~~valuation for assessment for residential real property;~~ EXCEPT THAT, FOR  
10 PROPERTY TAX YEARS COMMENCING ON JANUARY 1, 2022, AND JANUARY  
11 1, 2023, THE RATIO OF VALUATION FOR ASSESSMENT FOR MULTI-FAMILY  
12 RESIDENTIAL REAL PROPERTY IS TEMPORARILY REDUCED TO 6.8 PERCENT  
13 OF ACTUAL VALUE.

14 **SECTION 5.** In Colorado Revised Statutes, 39-3.5-101, **amend**  
15 the introductory portion; and **add** (3.5) as follows:

16 **39-3.5-101. Definitions.** As used in this ~~article~~ ARTICLE 3.5,  
17 unless the context otherwise requires:

18 (3.5) "TAX-GROWTH CAP" MEANS AN AMOUNT EQUAL TO THE  
19 AVERAGE OF A PERSON'S REAL PROPERTY TAXES PAID ON THE SAME  
20 HOMESTEAD FOR THE TWO PROPERTY TAX YEARS PRECEDING THE YEAR A  
21 DEFERRAL IS CLAIMED, INCREASED BY FOUR     PERCENT.

22 **SECTION 6.** In Colorado Revised Statutes, 39-3.5-102, **amend**  
23 (2) introductory portion, (2)(a), and (2.5); and **add** (1)(c) as follows:

24 **39-3.5-102. Deferral of tax on homestead - qualifications -**  
25 **filing of claim.** (1) (c) (I) SUBJECT TO THE PROVISIONS OF THIS ARTICLE  
26 3.5, INCLUDING THE LIMITATIONS SET FORTH IN SUBSECTION (1)(c)(II) OF  
27 THIS SECTION, BEGINNING JANUARY 1, 2023, A PERSON WHO IS NOT

1 OTHERWISE ELIGIBLE FOR DEFERRAL UNDER THIS SECTION MAY ELECT TO  
2 DEFER THE PAYMENT OF THE PORTION OF REAL PROPERTY TAXES THAT  
3 EXCEED THE PERSON'S TAX-GROWTH CAP. TO EXERCISE THIS OPTION, THE  
4 TAXPAYER MUST FILE A CLAIM FOR DEFERRAL WITH THE TREASURER OF  
5 THE COUNTY IN WHICH THE TAXPAYER'S HOMESTEAD IS LOCATED. THE  
6 TAXPAYER MUST FILE THE CLAIM AFTER JANUARY 1 AND ON OR BEFORE  
7 APRIL 1 OF EACH YEAR IN WHICH THE TAXPAYER CLAIMS THE DEFERRAL.

8 (II) IN ADDITION TO ANY OTHER LIMITATIONS SET FORTH IN THIS  
9 ARTICLE 3.5, THE MINIMUM AMOUNT OF REAL PROPERTY TAXES THAT MAY  
10 BE DEFERRED UNDER THIS SUBSECTION (1)(c) AT ONE TIME IS ONE  
11 HUNDRED DOLLARS, AND THE TOTAL AMOUNT OF REAL PROPERTY TAXES  
12 THAT A PERSON MAY DEFER UNDER THIS SUBSECTION (1)(c) FOR ALL  
13 YEARS SHALL NOT EXCEED TEN THOUSAND DOLLARS. IF A TAXPAYER'S  
14 SURVIVING SPOUSE ELECTS TO CONTINUE DEFERRAL UNDER SECTION  
15 39-3.5-112 (1.5)(a), THE SAME TOTAL LIMIT APPLIES TO THE TAXPAYER  
16 AND THE SURVIVING SPOUSE.

17 (III) A PERSON WHO PREVIOUSLY DEFERRED REAL PROPERTY  
18 TAXES AS A PERSON CALLED INTO MILITARY SERVICE BUT IS NO LONGER  
19 ELIGIBLE FOR A NEW DEFERRAL ON THAT BASIS MAY DEFER ADDITIONAL  
20 REAL PROPERTY TAXES UNDER THIS SUBSECTION (1)(c).

21 (2) When a taxpayer who is sixty-five years of age or older, ~~or~~  
22 who is a person called into military service, OR WHO IS OTHERWISE  
23 ELIGIBLE UNDER SUBSECTION (1)(c) OF THIS SECTION files a valid claim  
24 for deferral under subsection (1) of this section, it ~~shall have~~ HAS the  
25 effect of:

26 (a) Deferring the payment of ~~his~~ THE TAXPAYER'S real property  
27 taxes OR IN THE CASE OF A PERSON WHO IS OTHERWISE ELIGIBLE, A

1 PORTION OF THE TAXPAYER'S REAL PROPERTY TAXES, for the calendar year  
2 previous to the year in which the claim is filed;

3 (2.5) (a) A person called into military service may defer only the  
4 real property taxes payable in a year in which the person is a person called  
5 into military service. A person who is no longer a person called into  
6 military service may file a valid claim in a subsequent year to continue the  
7 PRIOR ALLOWABLE deferral of taxes. ~~payable in a year in which the person~~  
8 ~~was a person called into military service.~~

9 (b) A PERSON WHO DEFERS A PORTION OF REAL PROPERTY TAXES  
10 UNDER SUBSECTION (1)(c) OF THIS SECTION MAY FILE A VALID CLAIM IN A  
11 SUBSEQUENT YEAR TO CONTINUE THE PRIOR ALLOWABLE DEFERRAL OF  
12 TAXES.

13 **SECTION 7.** In Colorado Revised Statutes, 39-3.5-103, **amend**  
14 (1) introductory portion, (1)(d.5)(I) introductory portion, and  
15 (1)(d.5)(I)(B) as follows:

16 **39-3.5-103. Property entitled to deferral.** (1) In order to qualify  
17 for real property tax deferral under this ~~article~~ ARTICLE 3.5, the property  
18 shall meet all of the following requirements at the time the claim is filed  
19 and so long thereafter as payment is deferred:

20 (d.5) (I) ~~On or after January 1, 2006,~~ Either of the following  
21 applies to the property:

22 (B) The owner of the property is a person called into military  
23 service OR A PERSON ELIGIBLE FOR DEFERRAL UNDER SECTION 39-3.5-102  
24 (1)(c), and the total value of all liens of mortgages and deeds of trust on  
25 the property, excluding any mortgage or deed of trust that the holder has  
26 agreed, on a form designated by the state treasurer, to subordinate to the  
27 lien of the state for deferred taxes, is less than or equal to ninety percent



1 of the actual value of the property, as determined by the county assessor.

2 **SECTION 8.** In Colorado Revised Statutes, 39-3.5-112, **amend**  
3 (1.5)(a) introductory portion and (1.5)(a)(I) as follows:

4 **39-3.5-112. Election by spouse to continue tax deferral.**  
5 (1.5) (a) Notwithstanding the provisions of section 39-3.5-110 (1)(a),  
6 when a taxpayer who claimed a tax deferral pursuant to this ~~article~~  
7 ARTICLE 3.5 dies, the loan for deferred real property taxes, including  
8 accrued interest, shall not become payable if:

9 (I) The taxpayer was a person called into military service OR WAS  
10 A PERSON ELIGIBLE FOR DEFERRAL UNDER SECTION 39-3.5-102 (1)(c);

11 **SECTION 9.** In Colorado Revised Statutes, **add 39-3.5-120 as**  
12 **follows:**

13 **39-3.5-120. Expansion of deferral program - consultation -**  
14 **repeal.** (1) THE GOVERNOR'S OFFICE, IN CONSULTATION WITH THE STATE  
15 TREASURER, SHALL COMMISSION A STUDY OF THE PROPERTY TAX  
16 DEFERRAL PROGRAM CREATED IN THIS ARTICLE 3.5 AND MAKE  
17 RECOMMENDATIONS FOR POSSIBLE CHANGES TO THE PROGRAM TO THE  
18 GENERAL ASSEMBLY BY JANUARY 1, 2022. THE STUDY SHALL EXPLORE  
19 BEST PRACTICES TO STRUCTURE AND ADMINISTER A LOW-INTEREST LOAN  
20 PROGRAM TO ASSIST QUALIFYING HOMEOWNERS IN PAYING ANNUAL  
21 PROPERTY TAXES ON THEIR PRINCIPAL RESIDENCE. THE STUDY SHALL  
22 INCLUDE, BUT NOT BE LIMITED TO, ESTIMATED PARTICIPATION RATES,  
23 CASHFLOW ANALYSIS, ESTIMATED AVERAGE LOAN SIZE, ESTIMATED LOAN  
24 DURATION AND WHETHER DURATION SHOULD BE LIMITED, ESTIMATED  
25 SECURED DEBT FOR PRIMARY RESIDENCES, INCOME-BASED ELIGIBILITY  
26 ALTERNATIVES, A MARKET ANALYSIS FOR THE STATE TO SECURITIZE THE  
27 DEBT, AN ESTIMATE OF THE IMPACT AN EXPANDED PROGRAM WILL HAVE

1 ON THE STATE'S ANNUAL BUDGET, AND PROJECTED COSTS OF  
2 IMPLEMENTATION, INCLUDING COSTS FOR TECHNOLOGY AND STAFF, FOR  
3 THE STATE TREASURER AND COUNTY TREASURERS.

4 (2) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2022.

5 **SECTION 10.** In Colorado Revised Statutes, 39-5-121, add (3)  
6 as follows:

7 **39-5-121. Notice of valuation - legislative declaration - repeal.**

8 (3) (a) ON OR BEFORE MARCH 1, 2022, THE ADMINISTRATOR SHALL  
9 PREPARE A DESCRIPTION OF THE PROPERTY TAX CLASSES AND SUBCLASSES  
10 SET FORTH IN SECTIONS 39-1-104 AND 39-1-104.2, THE RATIO OF  
11 VALUATION FOR ASSESSMENT FOR THE DIFFERENT CLASSES AND  
12 SUBCLASSES, AND THE PROPERTY TAX YEARS THAT THE VARIOUS RATIOS  
13 OF VALUATION FOR ASSESSMENT APPLY. THE ASSESSOR SHALL INCLUDE  
14 THE DESCRIPTION ALONG WITH A NOTICE OF VALUATION THAT IS REQUIRED  
15 TO BE SENT IN THE 2021 CALENDAR YEAR UNDER SUBSECTION (1) OR (1.5)  
16 OF THIS SECTION.

17 (b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2023.

18 **SECTION 11. Effective date.** (1) Except as otherwise provided  
19 in this section, this act takes effect upon passage.

20 (2) Section 39-1-104.2 (3)(q), Colorado Revised Statutes, as  
21 amended in section 3 of this act, takes effect only if, at the November  
22 2021 statewide election, a majority of voters approve a measure  
23 concerning property tax reductions, and, in which case, section  
24 39-1-104.2 (3)(q) takes effect simultaneously with the measure.

25 (3) Section 4 of this act takes effect only if, at the November 2021  
26 statewide election, a majority of voters do not approve a measure  
27 concerning property tax reductions or if there is no such measure on the

1 ballot for the election, and, in either case, section 4 takes effect on  
2 December 31, 2021.

3 **SECTION 12. Safety clause.** The general assembly hereby finds,  
4 determines, and declares that this act is necessary for the immediate  
5 preservation of the public peace, health, or safety.