



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

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| Drafting Number: | LLS 23-1028 | Date: | July 17, 2023 |
| Prime Sponsors: | Sen. Hansen; Fenberg Rep. Marshall; Frizell | Bill Status: | Signed into Law |
| | | Fiscal Analyst: | Anna Gerstle 303-866-4375 anna.gerstle@coleg.gov |

Bill Topic: PROPERTY TAX VALUATION

Summary of Fiscal Impact:

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| <input type="checkbox"/> State Revenue | <input type="checkbox"/> TABOR Refund |
| <input checked="" type="checkbox"/> State Expenditure | <input checked="" type="checkbox"/> Local Government |
| <input type="checkbox"/> State Transfer | <input type="checkbox"/> Statutory Public Entity |

The bill specifies factors that assessors must consider when valuing property, requires counties with a population of at least 300,000 people to use the alternative protest and appeal procedure, and requires assessors to provide certain information to taxpayers upon request. The bill increases state and local workload.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the enacted bill.

Summary of Legislation

The bill makes changes to the valuation of property by county assessors. In addition to the methods specified in current law, the bill requires that assessors consider the following when determining a property's actual value:

- current use;
- existing zoning or government land use, or environmental regulations and restrictions;
- multiyear leases or other contractual agreements affecting the use of or income from the property;
- easements and reservations of record; and
- covenants, conditions, and restrictions of record.

Current law requires that assessors provide to a taxpayer the data used to determine their actual property value upon request. The bill specifies that the primary method and rates used to value the property must be included in that data. It also requires that counties with a population of at least 300,000 use an alternative protest and appeal procedure to handle objections and protests to property valuations in a general reassessment year, beginning January 1, 2024.

State Expenditures

The bill increases workload for the Division of Property Taxation in the Department of Local Affairs. Workload will include reviews and updates of procedures, forms, manuals, and training materials, and to provide technical assistance to local governments. The workload increase can be accomplished within existing appropriations.

Local Government

The bill increases workload and potentially increases costs for county assessors to modify their assessment procedures to align with the bill's requirements. In addition, the bill will change the schedule and process for appeals for an estimated nine counties with a population above 300,000, beginning January 1, 2024.

Effective Date

The bill was signed into law by the Governor on May 24, 2023, and takes effect on August 7, 2023, assuming no referendum petition is filed.

State and Local Government Contacts

Division of Property Taxation