

2023-2024 #~~199~~ #199 – Amended [Technical Corrections]

*Be it Enacted by the People of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, 39-1-102, add (7.6) and (15.7); and repeal and reenact (14.5) and ~~(15.5)~~ as follows:

**39-1-102. Definitions.** As used in articles 1 to 13 of this title 39, unless the context otherwise requires:

(7.6) “LOCAL DISTRICT” MEANS POLITICAL SUBDIVISION, INCLUDING A COUNTY, MUNICIPALITY, SPECIAL DISTRICT, OR SCHOOL DISTRICT.

(14.5) “~~R~~RESIDENTIAL REAL PROPERTY” MEANS RESIDENTIAL LAND AND RESIDENTIAL IMPROVEMENTS, INCLUDING MULTI-FAMILY RESIDENTIAL REAL PROPERTY AS DEFINED IN SECTION 39-1-104.2(1)(a), BUT DOES NOT INCLUDE HOTELS AND MOTELS AS DEFINED IN SUBSECTION (5.5) OF THIS SECTION.

~~(15.57) “SUBSTANTIAL CHANGE OF USE” MEANS A CHANGE IN CLASSIFICATION OR CREATION OF A NEW LOCAL DISTRICT. A CHANGE THAT REQUIRES CONSTRUCTION OF A STRUCTURE, INCLUDING THE COMPLETION OF SUCH STRUCTURE. MODIFICATIONS TO EXISTING STRUCTURES, LANDSCAPING OR SUBSIDIARY STRUCTURES FOR THE USE OF ENJOYMENT OF EXISTING IMPROVEMENT SHALL NOT BE CONSIDERED A SUBSTANTIAL CHANGE OF USE.~~

**SECTION 2.** In Colorado Revised Statutes, **add** 39-1-103.9 as follows:

**39-1-103.9. Statewide property tax revenue limit – election required – affirming local control over future mill levy increases – ensuring applicability of valuations of assessment to future mills.**

(1) IF THE TOTAL OF STATEWIDE PROPERTY TAX REVENUE ATTRIBUTABLE TO PROPERTY SUBJECT TO THE VALUATION FOR ASSESSMENTS SET FORTH IN SECTIONS 39-1-104(1) AND 39-1-104.2(3)(r) IS PROJECTED TO ~~GO UP~~INCREASE BY MORE THAN 4% OVER THE PRECEDING YEAR, VOTER APPROVAL IS NEEDED FOR ~~GOVERNMENT~~LOCAL DISTRICTS TO COLLECT AND RETAIN THE ADDITIONAL REVENUE.

(2) FOR VOTER APPROVAL OF A PROPERTY TAX REVENUE INCREASE, ANY REFERRED OR INITIATED MEASURE MUST BE A STAND-ALONE SUBJECT. THE BALLOT TITLE SHALL READ: “SHALL PROPERTY TAX REVENUE BE INCREASED BY [TOTAL PROJECTED INCREASE OVER THE PRECEDING YEAR] ALLOWING GOVERNMENT TO RETAIN AND SPEND PROPERTY TAX REVENUE ABOVE THE 4% ANNUAL LIMIT ON PROPERTY TAX INCREASES FOR [DATES X TO X]?”

(3) ~~F~~FOR THE PURPOSE OF CALCULATING ANY STATEWIDE PROPERTY TAX LIMIT, A TAX INCREASE ON PROPERTY WITH A SUBSTANTIAL CHANGE OF USE SHALL BE EXEMPTED FROM THE CALCULATION IN THE FIRST YEAR OF THE SUBSTANTIAL CHANGE. THEREAFTER, ANY INCREASE FROM THE DIFFERENTIAL BETWEEN THE PRIOR USE AND NEW USE SHALL BE INCLUDED IN THE CALCULATION.

(4) NOTHING IN THIS SECTION 39-1-103.9 SHALL BE CONSTRUED AS ALTERING OR LIMITING IN ANY WAY THE RIGHT OF LOCAL ~~GOVERNMENTS~~DISTRICTS TO ASK ~~LOCAL~~ VOTERS FOR MILL LEVY OVERRIDES TO FUND THE PROJECTS OR PRIORITIES OF LOCAL DISTRICTS. LOCALLY-APPROVED MILL LEVY INCREASES APPROVED AFTER JANUARY 1, 2025 ~~SHALL BE SUBJECT TO THE VALUATIONS OF ASSESSMENT SET FORTH IN SECTIONS 39-1-104 AND 39-1-104.2,~~ AND WHEN APPROVED BY VOTERS, SHALL NOT COUNT TOWARD ANY STATEWIDE PROPERTY TAX LIMIT.

**SECTION 3.** In Colorado Revised Statutes, 39-1-104 **repeal and reenact** (1) as follows:

**39-1-104. Valuation for assessments - definitions.**

(1) THE VALUATION FOR ASSESSMENT OF ALL TAXABLE PROPERTY IN THE STATE SHALL BE DECREASED FROM TWENTY-NINE PERCENT TO TWENTY-FIVE AND ONE-HALF PERCENT OF THE ACTUAL VALUE OF THE PROPERTY FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2025. THE ACTUAL VALUE THEREOF AS DETERMINED BY THE ASSESSOR AND THE ADMINISTRATOR IN THE MANNER PRESCRIBED BY LAW, AND SUCH PERCENTAGE SHALL BE UNIFORMLY APPLIED, WITHOUT EXCEPTION, TO THE ACTUAL VALUE, SO DETERMINED, OF THE VARIOUS CLASSES AND SUBCLASSES OF REAL AND PERSONAL PROPERTY LOCATED WITHIN THE TERRITORIAL LIMITS OF THE AUTHORITY LEVYING A PROPERTY TAX, AND ALL PROPERTY TAXES SHALL BE LEVIED AGAINST THE AGGREGATE VALUATION FOR ASSESSMENT RESULTING FROM THE APPLICATION OF SUCH PERCENTAGE. THIS SUBSECTION (1) SHALL NOT APPLY TO RESIDENTIAL REAL PROPERTY, PRODUCING MINES, LANDS OR LEASEHOLDS PRODUCING OIL OR GAS, AND AGRICULTURAL LANDS EXCLUSIVE OF BUILDING IMPROVEMENTS THEREON.

**SECTION 4.** In Colorado Revised Statutes, 39-1-104.2 **repeal and reenact** (3)(r) as follows:

**39-1-104.2. Residential real property – valuation for assessment – legislative declaration – definitions.** ~~(1) As used in this section, unless the context otherwise requires:~~

(3)(r) ~~F~~OR PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2025, THE VALUATION FOR ASSESSMENT FOR RESIDENTIAL REAL PROPERTY IS DECREASED FROM 7.15 PERCENT TO 5.7 PERCENT OF THE ACTUAL VALUE OF THE PROPERTY, MINUS THE LESSER OF FIFTY-FIVE THOUSAND DOLLARS OR THE AMOUNT THAT CAUSES THE VALUATION FOR THE ASSESSMENT OF THE PROPERTY TO BE ONE THOUSAND DOLLARS.

**SECTION 5.** In Colorado Revised Statutes, 39-3-210 **add** (8) as follows:

**39-3-210. Reporting of property tax revenue reductions - reimbursement of local governmental entities - definitions - local government backfill cash fund - creation - repeal.**

(8) ~~N~~NO LATER THAN APRIL 15 OF EACH YEAR, THE STATE TREASURER SHALL ISSUE A WARRANT, TO BE PAID YEARLY FROM THE GENERAL FUND TO REIMBURSE LOCAL DISTRICTS FOR LOST REVENUE AS A RESULT OF THE PASSAGE OF THIS MEASURE. REIMBURSEMENTS SHALL BE APPROPRIATED BY THE GENERAL ASSEMBLY TO THE MAXIMUM EXTENT PRACTICABLE. REIMBURSEMENTS TO LOCAL DISTRICTS SHALL NOT REDUCE REFUNDS OWED TO THE TAXPAYERS FOR REVENUES IN EXCESS OF

THE SPENDING LIMIT ESTABLISHED IN ARTICLE X SECTION 20 OF THE ~~COLORADO~~STATE CONSTITUTION.

**SECTION 6.** In Colorado Revised Statutes, 39-3-210 **repeal** (6) and **repeal and reenact** (7) as follows:

(6) ~~This section is repealed, effective July 1, 2025.~~

(7) IN ORDER TO INSULATE SCHOOL DISTRICTS FROM REVENUE LOSS DUE TO THE PASSAGE OF THIS MEASURE, ANY REDUCTION IN REVENUE ATTRIBUTED TO THE VOTER APPROVAL OF THIS MEASURE SHALL NOT REDUCE FUNDING FOR THE STATE EDUCATION FUND AS CREATED IN SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

**SECTION 7.** Effective date.

This act takes effect on January 1, 2025.