

HB24B-1001 Property Tax

SPECIAL SESSION OVERVIEW

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3015 Policy

A G E N D A

- Cap on Property Taxes
- Statewide 5% Growth Determined by the State Board of Equalization (SBE)
- Rate Adjustments for Residential and Non-Residential Properties
- Public Voting Opportunities

CAP ON PROPERTY TAXES

Key Points:

- Cap on the annual increase in property tax revenue that local governments and school districts can collect.
- The cap on property tax revenue works in conjunction with assessment rates
 - Similar mechanism to Ref C
- If revenue growth surpasses the cap, the excess must be carried over to the next cycle or handled through voter-approved waivers
 - Waiting on clarification for carryover for modeling
 - If the revenue is “at the carry over cap” then it cannot be collected.
- Exceptions/Provisions:
 - Certain disaster relief or infrastructure emergencies are excluded from the cap (see § 29-1-1705(3))

STATEWIDE GROWTH

State Board of Equalization (SBE)

ROLE

The State Board of Equalization (SBE) determines if statewide actual value growth exceeds 5%:

- This assessment is done yearly and affects all property types based on specific growth percentages.

N.B., historically, Colorado has not used statewide data to inform property taxes (or decoupled school from local govt) - this will likely create a series of challenges for implementation

Value Growth

>5%

- Additional restrictions are triggered for property assessments.
- SBE sets the residential valuation for assessment rates in these cases.

Value Plateau/Decrease

<5%

- rates stay at original percentage

RATE ADJUSTMENTS: RESIDENTIAL

YEAR	TAX RATE (<5% GROWTH)	TAX RATE (>5% GROWTH)	PROVISIONS	CITATION
2025	6.25% (Local), 7.05% (School)	6.15% (Local), 6.95% (School)	Qualified senior properties have reductions based on § 39-1-104.2(3)(s)	§ 39-1-104.2(3)(t), (3)(t.5)
2026	6.8% (Local), 7.05% (School)	6.7% (Local), 6.95% (School)	Qualified senior properties have reductions based on § 39-1-104.2(3)(s)	§ 39-1-104.2(3)(u), (3)(u.5)
2027	6.8% (Local), 7.05% (School)	6.7% (Local), 6.95% (School)	Qualified senior properties have reductions based on § 39-1-104.2(3)(s)	§ 39-1-104.2(3)(u), (3)(u.5)

RATE ADJUSTMENTS: COMMERCIAL

YEAR	TAX RATE (<5% GROWTH)	TAX RATE (>5% GROWTH)	AG/RENEWABLE ENERGY RATE (<5% GROWTH)	AG/RENEWABLE ENERGY RATE (>5% GROWTH)	PROVISIONS
2025	27.90%	27.90%	26.40%	26.40%	Agricultural/renewable energy rates are independent of growth rate in 2025 (§39-1-104(1.8)).
2026	26.90%	26.90%	26.40%	26.40%	Agricultural/renewable energy rates remain the same in 2026, regardless of growth (§39-1-104).
2027	25%	25%	25%	25%	Final rate reductions for both commercial and agricultural/renewable energy properties implemented in 2027 (§39-1-104).

PUBLIC VOTING OPPORTUNITIES

Waive the tax cap *options*

- The public has the power to vote on whether to waive the property tax cap.
- Local governments can place measures on the ballot asking voters if they want to waive the cap for a single year, multiple years, or permanently

Thank you!
