TABLE 8

SHIFT OF PROPERTY TAX BURDEN DUE TO THE GALLAGHER AMENDMENT

Tax Year	Res. Rate w/o Gallagher	Actual Res. Rate	Avg Actual Mill Levy	Avg. Levy at 21%	Total True Res. Assd. Value	Total True Assd. Value	Total Res. Assd. Value at 21%	Total Assd. Value at 21%	Total TRUE Revenue	Res. Revenue at 21%	Res. Revenue at True Rate	Savings to Res Taxpayers
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13
1987	21%	18.00%	61.631	57.041	$16,082,851,000	$33,305,709,386	$18,763,326,167	$35,986,184,553	$2,052,676,764	$1,070,273,054	$991,208,269	$79,064,785
1988	21%	16.00%	68.941	60.260	$14,565,525,000	$31,594,514,873	$19,117,251,563	$36,146,241,436	$2,178,165,007	$1,152,001,612	$1,004,165,343	$147,836,269
1989	21%	15.00%	76.599	64.812	$13,246,081,000	$29,132,506,180	$18,544,513,400	$34,430,938,580	$2,231,532,285	$1,201,903,929	$1,014,641,762	$187,262,167
1990	21%	15.00%	77.543	65.465	$13,393,681,000	$29,039,235,830	$18,751,153,400	$34,396,708,230	$2,251,797,175	$1,227,553,345	$1,038,589,762	$188,963,583
1991	21%	14.34%	82.883	68.395	$12,886,606,000	$28,254,712,020	$18,871,598,745	$34,239,704,765	$2,341,834,706	$1,290,728,562	$1,068,080,296	$222,648,266
1992	21%	14.34%	84.618	69.563	$13,256,627,000	$28,447,544,980	$19,413,470,502	$34,604,388,482	$2,407,175,164	$1,350,453,688	$1,121,749,638	$228,704,050
1993	21%	12.86%	84.215	65.064	$13,373,489,410	$28,758,329,600	$21,838,513,033	$37,223,353,223	$2,421,892,140	$1,420,896,252	$1,126,252,788	$294,643,464
1994	21%	12.86%	84.423	65.084	$13,970,427,000	$29,761,160,460	$22,813,294,479	$38,604,027,939	$2,512,514,138	$1,484,786,121	$1,179,419,579	$305,366,542
1995	21%	10.36%	82.287	55.600	$15,155,126,840	$32,428,020,970	$30,719,851,703	$47,992,745,833	$2,668,403,530	$1,708,028,147	$1,247,069,440	$460,958,707
1996	21%	10.36%	82.951	55.931	$15,788,272,000	$33,563,472,960	$32,003,254,054	$49,778,455,014	$2,784,139,391	$1,789,961,545	$1,309,660,357	$480,301,188
1997	21%	9.74%	78.773	51.464	$17,673,602,010	$38,502,250,770	$38,105,302,075	$58,933,950,835	$3,032,955,892	$1,961,037,718	$1,392,210,956	$568,826,762
1998	21%	9.74%	80.042	52.162	$18,452,519,220	$39,910,771,429	$39,784,692,363	$61,242,944,572	$3,194,557,668	$2,075,251,197	$1,476,985,652	$598,265,545
1999	21%	9.74%	74.927	48.756	$21,633,354,370	$46,590,805,330	$46,642,755,829	$71,600,206,789	$3,490,910,908	$2,274,095,459	$1,620,923,103	$653,172,356
2000	21%	9.74%	75.733	49.182	$22,729,547,584	$48,673,508,510	$49,006,211,423	$74,950,172,349	$3,686,192,349	$2,410,218,895	$1,721,377,541	$688,841,354
2001	21%	9.15%	70.416	43.633	$27,699,298,175	$58,440,166,120	$63,572,159,746	$94,313,027,691	$4,115,123,689	$2,773,819,343	$1,950,474,231	$823,345,112
2002	21%	9.15%	72.350	44.696	$28,882,504,491	$60,456,523,380	$66,287,715,225	$97,861,734,114	$4,374,011,505	$2,962,784,501	$2,089,640,619	$873,143,882
2003	21%	7.96%	74.335	41.705	$29,523,577,562	$61,816,965,320	$77,888,835,277	$110,182,223,035	$4,595,136,111	$3,248,344,331	$2,194,621,762	$1,053,722,569
2004	21%	7.96%	74.969	42.274	$30,470,840,993	$64,541,293,358	$80,387,897,092	$114,458,349,457	$4,838,584,603	$3,398,298,534	$2,284,362,993	$1,113,935,541
2005	21%	7.96%	73.284	41.409	$33,110,601,388	$70,466,165,655	$87,352,089,089	$124,707,653,356	$5,164,064,927	$3,617,194,674	$2,426,487,858	$1,190,706,817
2006	21%	7.96%	73.480	41.859	$34,350,208,817	$74,489,498,610	$90,622,410,196	$130,761,699,989	$5,473,511,765	$3,793,334,198	$2,524,064,138	$1,269,270,060
2007	21%	7.96%	72.882	41.469	$39,331,276,064	$85,060,615,128	$103,763,416,752	$149,492,755,816	$6,199,362,883	$4,302,998,302	$2,866,530,563	$1,436,467,739
2008	21%	7.96%	72.748	41.405	$40,409,568,301	$87,449,633,973	$106,608,157,578	$153,648,223,250	$6,361,812,205	$4,414,115,983	$2,939,727,397	$1,474,388,587
											Estimated total savings to residential taxpayers from inception to 2008 =	**$14,339,835,343**

TABLE 9

COLORADO ASSESSED VALUES

	ASSESSED VALUES				DISTRIBUTION OF VALUE		
Year	Total	Residential	Non-Residential	Year	Total	Residential	Non-Residential
1983	$17,185,698,000	$7,424,951,000	$9,760,747,000	1983	100.0%	43.2%	56.8%
1984	$17,905,089,000	$7,921,865,470	$9,983,223,530	1984	100.0%	44.2%	55.8%
1985	$18,730,104,000	$8,327,520,240	$10,402,583,760	1985	100.0%	44.5%	55.5%
1986	$19,216,096,000	$8,646,958,180	$10,569,137,820	1986	100.0%	45.0%	55.0%
1987	$33,261,142,000	$16,082,850,600	$17,178,291,400	1987	100.0%	48.4%	51.6%
1988	$31,660,568,730	$14,565,865,580	$17,094,703,150	1988	100.0%	46.0%	54.0%
1989	$29,131,941,640	$13,247,498,311	$15,884,443,329	1989	100.0%	45.5%	54.5%
1990	$29,082,011,770	$13,393,681,560	$15,688,330,210	1990	100.0%	46.1%	53.9%
1991	$28,285,335,860	$12,886,606,790	$15,398,729,070	1991	100.0%	45.6%	54.4%
1992	$28,490,629,640	$13,256,627,100	$15,234,002,540	1992	100.0%	46.5%	53.5%
1993	$28,820,035,320	$13,373,489,410	$15,446,545,910	1993	100.0%	46.4%	53.6%
1994	$29,831,046,660	$13,970,427,000	$15,860,619,660	1994	100.0%	46.8%	53.2%
1995	$32,469,922,680	$15,155,131,610	$17,314,791,070	1995	100.0%	46.7%	53.3%
1996	$33,606,775,890	$15,788,272,000	$17,818,503,890	1996	100.0%	47.0%	53.0%
1997	$38,536,664,720	$17,673,602,020	$20,863,062,700	1997	100.0%	45.9%	54.1%
1998	$40,165,596,490	$18,452,519,220	$21,713,077,270	1998	100.0%	45.9%	54.1%
1999	$46,711,921,473	$21,633,354,370	$25,078,567,103	1999	100.0%	46.3%	53.7%
2000	$48,757,383,218	$22,729,547,584	$26,027,835,634	2000	100.0%	46.6%	53.4%
2001	$58,812,663,875	$27,699,298,175	$31,113,365,700	2001	100.0%	47.1%	52.9%
2002	$60,564,946,027	$28,888,969,314	$31,675,976,713	2002	100.0%	47.7%	52.3%
2003	$61,949,204,975	$29,523,577,562	$32,425,627,413	2003	100.0%	47.7%	52.3%
2004	$64,630,921,990	$30,470,840,993	$34,160,080,997	2004	100.0%	47.1%	52.9%
2005	$70,625,603,899	$33,110,601,388	$37,515,002,511	2005	100.0%	46.9%	53.1%
2006	$74,549,449,375	$34,350,208,817	$40,199,240,558	2006	100.0%	46.1%	53.9%
2007	$85,147,187,463	$39,331,276,064	$45,815,911,399	2007	100.0%	46.2%	53.8%
2008	$87,550,006,576	$40,409,568,301	$47,140,438,275	2008	100.0%	46.2%	53.8%

COLORADO ACTUAL VALUES

	ACTUAL VALUES				DISTRIBUTION OF VALUE		
Year	Total	Residential	Non-Residential	Year	Total	Residential	Non-Residential
1983	$66,459,485,820	$35,356,909,524	$31,102,576,296	1983	100.0%	53.2%	46.8%
1984	$69,718,797,755	$37,723,168,905	$31,995,628,850	1984	100.0%	54.1%	45.9%
1985	$72,958,307,363	$39,654,858,286	$33,303,449,078	1985	100.0%	54.4%	45.6%
1986	$75,118,950,953	$41,175,991,333	$33,942,959,620	1986	100.0%	54.8%	45.2%
1987	$146,891,450,388	$89,349,170,000	$57,542,280,388	1987	100.0%	60.8%	39.2%
1988	$148,225,023,177	$91,036,659,875	$57,188,363,302	1988	100.0%	61.4%	38.6%
1989	$141,342,075,160	$88,316,655,407	$53,025,419,753	1989	100.0%	62.5%	37.5%
1990	$141,421,555,163	$89,291,210,400	$52,130,344,763	1990	100.0%	63.1%	36.9%
1991	$140,967,103,411	$89,864,761,437	$51,102,341,974	1991	100.0%	63.7%	36.3%
1992	$142,906,267,259	$92,445,098,326	$50,461,168,932	1992	100.0%	64.7%	35.3%
1993	$155,096,689,828	$103,992,919,207	$51,103,770,621	1993	100.0%	67.1%	32.9%
1994	$160,946,706,538	$108,634,735,614	$52,311,970,923	1994	100.0%	67.5%	32.5%
1995	$203,663,083,533	$146,285,054,151	$57,378,029,382	1995	100.0%	71.8%	28.2%
1996	$211,793,556,887	$152,396,447,876	$59,397,109,011	1996	100.0%	72.0%	28.0%
1997	$250,804,220,896	$181,453,819,507	$69,350,401,389	1997	100.0%	72.3%	27.7%
1998	$261,128,074,968	$189,450,916,016	$71,677,158,951	1998	100.0%	72.6%	27.4%
1999	$306,002,830,219	$222,108,361,088	$83,894,469,131	1999	100.0%	72.6%	27.4%
2000	$320,312,771,175	$233,362,911,540	$86,949,859,635	2000	100.0%	72.9%	27.1%
2001	$404,716,127,139	$302,724,570,219	$101,991,556,920	2001	100.0%	74.8%	25.2%
2002	$419,294,563,373	$315,726,440,590	$103,568,122,783	2002	100.0%	75.3%	24.7%
2003	$478,546,478,821	$370,899,215,603	$107,647,263,218	2003	100.0%	77.5%	22.5%
2004	$492,572,877,562	$382,799,509,962	$109,773,367,599	2004	100.0%	77.7%	22.3%
2005	$534,826,428,655	$415,962,328,995	$118,864,099,660	2005	100.0%	77.8%	22.2%
2006	$554,757,341,157	$431,535,286,646	$123,222,054,512	2006	100.0%	77.8%	22.2%
2007	$636,895,128,388	$494,111,508,342	$142,783,620,046	2007	100.0%	77.6%	22.4%
2008	$654,555,841,028	$507,657,893,229	$146,897,947,799	2008	100.0%	77.6%	22.4%

The total assessed values in Table 9 may not match the values in Table 8, as they originate from different sources. The values in Table 9 were taken from the 2008 Abstracts of Assessment while the total assessed value listed in Table 8 is from the Certification of Levies and Revenues.

Table 9 illustrates the effect of Gallagher on the statewide assessed value of residential property since 1983. As the table shows, the percentage of actual value attributable to residential property has increased dramatically during the last 25 years, from 53.2 percent in 1983 to 77.6 percent today. At the same time, the adjustment of the residential assessment rate caused the percentage of total assessed value comprised of residential property to remain essentially stable.

PROTESTS, APPEALS, AND ABATEMENTS

Protests and Appeals

Colorado statutes mandate a process that allows taxpayers the opportunity to challenge the actual value established by the assessor. The process begins with the taxpayer's protest to the assessor. Upon receiving a protest, the assessor reviews the issues raised, and either adjusts or maintains the actual value established for the property. Taxpayers who disagree with the assessor's decision can appeal to the county board of equalization. Taxpayers who disagree with the county board's decision have three choices for further appeal. They can appeal to the State Board of Assessment Appeals (BAA), district court, or binding arbitration. Decisions of the BAA and district court can be appealed to the Colorado Court of Appeals and ultimately to the Colorado Supreme Court. Decisions of an arbitrator are final.

Taxpayers can protest and appeal in both reappraisal (odd numbered years) and intervening years (even numbered years). However, the number of protests and appeals are typically higher in the years of reappraisal.

The number of protests and appeals varies greatly from county to county. During 2007 (the last reappraisal year), Jefferson County received the greatest number of protests with 12,974 while Kiowa County received none. For many counties, the protest process places a significant strain on the resources of the assessor's office. Table 10 lists the protests and county board appeals for each county during the last three reappraisal years, organized according to the county officer pay categories established in § 30-2-102, C.R.S. For the purpose of this table, the Cities and Counties of Denver and Broomfield are placed in category one. Table 11 provides a statistical summary of protests and appeals.

Abatements

Abatement petitions can be filed for taxes erroneously or illegally levied, for overvaluation, or for an assessment error. Taxpayers who filed a protest can file an abatement petition only for a clerical error or an illegality, but not for an overvaluation. Abatement petitions can be filed up through the first working day in January two years after the date the taxes were levied. Because abatement petitions are filed on taxes already levied, the abated or refunded taxes constitute lost revenue to the affected local governments; however, § 39-10-114(1)(a)(I)(B), C.R.S., and case law, allow local governments to recover abated taxes through an increase in mill levies. Table 12 displays the taxes abated during 2006, 2007, and 2008.