

COLORADO PROPERTY TAX

OVERVIEW

The Colorado property tax system provides revenue exclusively for local government services. The largest share of property tax revenue (49.4 percent) goes to support the state's public schools. County governments claim the next largest share (25.4 percent), followed by special districts (18.7 percent), municipal governments (5.1 percent), and junior colleges (1.4 percent).

The authority for property taxation is both constitutional and statutory. Article X of the Colorado Constitution provides that all property is taxable unless declared exempt by the Constitution, and that the actual value of taxable property shall be determined under the general laws to secure just and equalized valuations. The specific statutes pertaining to property taxation are found in Title 39, Articles 1 through 14, Colorado Revised Statutes.

Under the general laws of Colorado, county assessors are required to value all taxable property within their county boundaries. The State Board of Equalization (state board) has supervision over the administration of all laws concerning the valuation and assessment of taxable property and the levying of property taxes. The Division of Property Taxation (Division), under direction of the Property Tax Administrator (Administrator), coordinates the implementation of property tax laws throughout Colorado's sixty-four counties.

Revenue derived from 2009 property taxes (payable 2010) will increase statewide for every local government type. **Table 1** lists the percentage increases in property tax revenue between taxes payable in 2009 and taxes payable in 2010. The combined revenue increase from taxes payable in 2010 is 7.1 percent.

TABLE 1

Tax Years 2008-2009	
Taxing Entity	% Increase
School District K-12	5.5%
Junior Colleges	30.0%
Counties	8.1%
Municipalities	3.0%
Special Districts	10.0%
Combined Increase	7.1%

In 2007, the General Assembly amended § 22-54-106(2), C.R.S., to freeze the "total program" mill levies certified annually by school districts. The mill levy freeze applies to 174 of the state's 178 school districts that had previously approved broadly worded ballot issues waiving the revenue limits of Article X, Section 20 of the Colorado Constitution (TABOR). The remaining four districts excluded from the change are Colorado Springs, Harrison, Cherry Creek and Steamboat Springs. Over time, the mill levy freeze is intended to restore the percentage of school total program funding derived from property tax revenue to levels that existed prior to the 1992 passage of Section 20, Article X of the Colorado Constitution (TABOR). On March 16, 2009, the Colorado Supreme Court issued a determination that the mill levy freeze is constitutional.

STATE BOARD OF EQUALIZATION

The State Board of Equalization consists of the Governor, the President of the Senate, the Speaker of the House of Representatives, or their designees, and two members appointed by the Governor with consent of the Senate. Each appointed member must be a qualified appraiser, a former assessor, or a person who has knowledge and experience in property taxation. The state board members for 2009 were Lyle C. Kyle, Chairperson and appointee of the Governor; Charles Brown, Vice-Chairman and appointee of the Governor; Craig R. Welling, designee of Governor Bill Ritter, Jr.; Wally Grant, designee of Brandon Shaffer, President of the Senate; and Representative Joel Judd, designee of Terrance D. Carroll, Speaker of the House of Representatives.

Duties and Responsibilities

The state board supervises the administration of property tax laws and the equalization of the values of classes and subclasses of taxable property. Duties of the state board are found primarily in Article X, Sections 3 and 15 of the Colorado Constitution and in Title 39, Articles 1 and 9, Colorado Revised Statutes.

Among its duties, the state board reviews the findings and conclusions of the annual study contractor and orders reappraisals in counties found not in compliance. The annual study was initiated by a 1982 amendment to the Colorado Constitution to ensure that all