

Section II

Administration

COLORADO PROPERTY TAX

OVERVIEW

In Colorado, 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 articles 1 through 14 of title 39 of the Colorado Revised Statutes.

Under the general laws of Colorado, county assessors are required to value all taxable property within their county boundaries except for those properties that are state assessed. 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 law throughout Colorado's sixty-four counties.

The Colorado property tax system provides revenue exclusively for local government services. The largest share of property tax revenue (50.3%) goes to support the state's public schools. County governments claim the next largest share (25.3%), followed by special districts (18.3%), municipal governments (4.9%), and junior colleges (1.2%).

Table 1 lists the percentage change in property tax revenue between taxes payable in 2013 and taxes payable in 2014.

TABLE 1

REVENUE CHANGE BY ENTITY TYPE	
Tax Years 2012-2013	
Taxing Entity	%Change
School Districts	0.7%
Junior Colleges	-2.4%
Counties	1.8%
Municipalities	0.4%
Special Districts	0.5%
Combined Change	0.9%

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. Charles Brown is Chairman of the Board. The Vice-chairperson for 2013 was Sandra M. Adams, appointee of the Governor. The remaining state board members for 2013 were Kevin Patterson, designee of Governor John Hickenlooper; Senator Larry Crowder, designee of the President of the Senate; and Susan Rodgers, designee of the 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 title 39, articles 1 and 9 of the 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 assessors value property at the same level of value using standardized procedures and statistical measurements. The study is conducted by an independent auditing firm contracted by the Director of Research, for the office of Colorado Legislative Council, § 39-1-104(16), C.R.S. The study and the resulting orders of reappraisal are the primary means of achieving statewide equalization.

The importance of the state board's equalization function is due in part to the relationship that exists between assessed values and state aid to schools. Generally, if the property in a school district is undervalued, it is likely that the district will receive more state revenue than it is entitled. When the results of a reappraisal order indicate that the affected school district(s) received too much state revenue, the state board will order the county (not the school district) to pay back the excess funding. During the 1980s

and early 1990s, this occasionally required the repayment of substantial revenue to the state. In more recent years however, significant improvements in the quality of county assessments have resulted in far fewer reappraisal orders and smaller repayments of excess state aid to schools.

The state board also reviews county Abstracts of Assessment, decisions of county boards of equalization (county boards) and the policies and recommendations of the Property Tax Administrator.

STATE BOARD ENFORCEMENT

The following is a brief history of recent enforcement actions by the State Board of Equalization.

2013 Enforcement and Repayment

The state board met on October 8, 2013, to review the findings and conclusions of Wildrose Appraisal, Inc., annual study contractor for Legislative Council.

The meeting opened with a change in procedure. Effective 2013, the minutes taken from the previous state board meeting are to be presented to the board for review and formal approval.

The state board began discussion regarding requests from certain otherwise exempt organizations for the board to waive the filing deadline for their Annual Report for Exempt Properties as allowed in § 39-9-109(5) and (6), C.R.S. The Property Tax Administrator presented the board with a copy of HB 13-1246 which expanded the board's authority to allow the property tax administrator to extend an exemption in cases where property was put on the tax roll as omitted due to an error or omission on the part of a governmental entity.

Two such properties were presented for consideration under this provision; Northeast Denver Housing Center and the Lowry Foundation. The board approved the extension of the timeframe of consideration allowing the property tax administrator to determine if the exemption to both organizations should be extended to property tax year 2010.

Next, the manager of the Exemptions Section discussed three exempt organizations that requested the deadline be waived due to incomplete/incorrect Annual Reports. These

organizations were Lutheran Hospital of the San Luis Valley, the Church of God of Cleveland/Igreja De Deus Fonte De Vida and Heritage Baptist Church of Stratton.

According to the manager of the Exemptions Section, the Lutheran Hospital of the San Luis Valley was not the type of case that was anticipated to be allowed a waiver for deadline pursuant to §39-9-109, C.R.S. This exemption for property tax year 2011 was originally denied because the organization did not provide the necessary information to approve the exemption request. The board denied Lutheran Hospital's request. The board approved the remaining two organizations' requests for property tax year 2011.

In the next segment, the board covered the sixteen petitions that were highlighted for discussion. Of the petitions discussed, one was denied.

The remaining requests for waivers from the filing deadline were presented to the board. Staff explained that there were no unusual circumstances for any of these requests. Chairman Brown asked for a blanket motion to approve all of the organizations listed. The motion was unanimously approved. All 50 petitions included in the blanket motion were granted.

The next order of business was the board's consideration of the Annual Study Reports submitted to the Property Tax Administrator by Wild Rose Appraisal, Inc., on September 15, 2013.

This was the first time in the last five years that Wildrose Appraisal, Inc., did not recommend an order of reappraisal. They did, however, revisit prior orders. One such order was for Saguache County for property tax year 2011 regarding residential property, as the 2011 order had not been completed by the county. In 2012, the board ordered a continuation of the 2011 reappraisal. As such, the auditor had to wait for the relevant data from the 2011 reappraisal order from Saguache County to finalize the 2011 reports.

Upon receipt of the necessary data, Wildrose Appraisal, Inc., reviewed county data as well as the sales file that was prepared by the Division of Property Taxation. Analysis of the data submitted showed that Saguache County was now in compliance for the residential class for both 2011 and 2012.

Wildrose Appraisal, Inc., submitted the final reports for the board's approval. All reports were accepted.

There were additional outstanding issues from prior years with regard to Saguache County. The primary issue dealt with omitted property.

According to the manager of the Administrative Resources Section, the 2013 reappraisal order for omitted property in Saguache County was complete. Of the 13,000 parcels of real property in the county, the Division inspected over 4,000 of them. The county and reappraisal staff also worked with the San Luis Valley-GPS-GIS system to discover improvements on parcels listed as vacant land.

The reappraisal efforts concluded with the verification that the assessor and her employees were able to use the computer assisted mass appraisal system and hopefully will avoid a similar situation in future years.

The total impact of the two reappraisals ordered by the board upon recommendation of the assessment auditor was \$20,745,746 in actual value. See the table below for the omitted value for property tax years 2011 and 2012.

SAGUACHE COUNTY	
Tax Year	Omitted Actual Value
2011	\$22,517,937.00
2012	\$22,797,269.00

As the 2013 reappraisal order was based upon the recommendation of the Property Tax Administrator under § 39-2-114, C.R.S., there was no payback of state aid to schools nor was there any reimbursement to the Division for the cost of the reappraisal.

The next issue involved payback of state aid to schools in Saguache County for the 2011 and 2012 reappraisal orders. The manager of the Administrative Resources Section explained that since the audit measures were restricted to the single-family residential property, the payback was also based on this subclass. The total actual value of single-family residential property in Saguache County following the 2011 reappraisal was \$24,594,465.

The payback of excess state aid to schools for single-family residences for property tax year 2011 was based on an assessed value for single-family residential properties of

\$802,584 and \$806,785 for property tax year 2012. The interest amounts for both years were calculated at a rate of six percent.

SAGUACHE COUNTY 2011-2012 REAPPRAISAL				
Tax Year	State Aid to		Interest	Total
	Schools	Rate		
2011	\$20,797.94	6.0%	\$2,858.15	\$23,656.09
2012	\$20,934.75	6.0%	\$1,885.85	\$22,820.60
Total	\$41,732.69		\$4,744.00	\$46,476.69

The total cost incurred by the state for the 2011 and 2012 reappraisals, taxpayer investigation and assistance offered the Saguache county assessor's office totaled \$121,876.10. Of the 2012 total cost, \$4,053.97 was allocated to the investigation of a taxpayer complaint and \$6,243.94 was allocated to the assistance request made by the Saguache County Assessor. The 2013 reappraisal costs were not included in this number as that reappraisal was conducted at the complete cost of the state.

Saguache County directly paid \$8,465.03 in equipment costs and \$16,701.12 to cover per diem and lodging expenses for Division staff. After applying the payments listed above, Saguache County owed a balance of \$86,412.05.

The Saguache County Assessor formally requested a "Bledsoe Plan" for the balance amount owed. This was a provision that had been proposed by former Speaker of the House, Beverly Bledsoe, and adopted by the 1984 board. It allowed a county to submit a plan to use the funds for improvements to the assessor's office rather than reimburse the state for those costs. This plan had been allowed by former boards for more than 30 years. The Property Tax Administrator informed the board that she had asked Lisa Freimann, First Assistant Attorney General, to research the question of the "Bledsoe Plan." Ms. Freimann informed the board that § 39-1-105.5, C.R.S., clearly states the expenses related to the reappraisal shall be at the expense of the county, and that these funds must go the state's general fund. It was her opinion that the board does not have the discretion to forgive or allow the reallocation of those funds to the county assessor's budget despite the policy of the board in prior years.

The Property Tax Administrator asked the board to consider whether it was appropriate

to charge the county for the salaries of Division employees involved in the reappraisal efforts, as those salaries would have been paid whether they worked on this reappraisal or on some other project for the division. She suggested those costs could be excluded from the amount the county owes, as it would be detrimental to the county to have to pay back such a large sum. After consulting with

The next order of business was the consideration of the Abstracts of Assessment. The Property Tax Administrator asked the board to accept the Abstracts of Assessment for the sixty (60) counties that used the traditional protest period. All 60 Abstracts of Assessment were accepted. At the time of the meeting, the remaining four counties, Boulder, Denver, Douglas and Jefferson had utilized the alternate protest period and would have to submit their Abstracts of Assessment to the Division by November 21, 2013. As in prior years, if no problems exist, the board could forego an additional meeting by allowing the Chairman to review and accept the remaining abstracts unless there was a problem with any of them. The board agreed to allow Chairman Brown to act on its behalf if there were no problems with the remaining Abstracts of Assessment.

The meeting was concluded with a brief discussion regarding a procedural change that the Division recommended regarding agricultural property affected by wildfire or natural disaster. The language for the change had already been reviewed and approved by the Statutory Advisory Committee. As a result of the change, counties are allowed to maintain agricultural classification for up to five years without an actual qualifying use. The board unanimously approved the change.

2012 Enforcement and Repayment

The state board met on October 25, 2012, to review the findings and conclusions of Wildrose Appraisal, Inc., annual study contractor for Legislative Council.

Shortly after the meeting was called to order, the Board unanimously agreed to go into executive session with the Colorado Deputy Attorney General, to discuss the reappraisal orders issued to both Adams and Saguache Counties in 2011.

The state board order for Adams County was based on complaints filed pursuant to

§ 39-2-111, C.R.S. In 2011, the Property Tax Administrator received two complaints concerning Adams County: one directly from the Adams County Assessor, the other from a group of taxpayers. Both asked for an investigation to determine whether the property values were properly set for tax year 2011. The investigative report and recommendations were submitted to the state board in August 2011. The state board ordered a reappraisal of commercial warehouse properties for the 2012 tax year. The reappraisal resulted in a total increase of \$19,000,000 in assessed value for the subclass. After review of the final report and supporting testimony, the state board approved the Adams County Report.

Saguache County's 2011 reappraisal order for residential property was issued based on § 39-1-105.5, C.R.S., and was the result of non-compliance with the state board's statistical requirements. Also in 2011, there were two complaints filed with the Property Tax Administrator concerning property that had been omitted from the tax roll. It was determined that the investigation of the complaints could be coterminous with the Division of Property Taxation's supervision of the reappraisal order. The investigation confirmed that there were many improvements that had been omitted from the tax roll for a number of years. Division staff also found sales that had been improperly coded and disqualified, and land values had not been brought to current value. Although the Saguache County Assessor's office hired seven temporary employees to help bring their inventories up-to-date, they were all part-time employees and ultimately did not have enough time to devote to the project.

Division staff attempted to assist the county in the completion of the reappraisal, but because offers of assistance were refused until it was too late, the end result was that the 2011 reappraisal order for residential property in Saguache County was not completed. After consulting with the Colorado Deputy Attorney General, the state board continued the reappraisal order for 2012.

Next, the state board addressed the 2009, 2010 and 2011 reappraisal orders issued to Montezuma County regarding usage of the correct Basic Equipment Lists (BELs) in determining the valuation for assessment of oil and gas personal property. After the reappraisal order was issued in 2009,

Montezuma County immediately appealed to the Denver District Court. Reappraisal orders were subsequently issued to Montezuma County for 2010 and 2011 for the same issue. However, because the Denver District Court had not issued a decision on the 2009 appeal, all subsequent reappraisal orders were held in abeyance and consolidated in Montezuma's appeal. On April 1, 2012, the Denver District Court issued its ruling on the consolidated cases from 2009, 2010 and 2011, and confirmed that the State Board orders were appropriate. In response to the ruling, Montezuma County performed the recalculations using the BELs. The final total payback amount for excess state aid to schools, with interest calculated at 3% because of the county's timely payment, was \$3,966.30.

The state board then heard testimony on the auditor's findings for 2012. Final reports were submitted to the board for 62 of the 64 Colorado counties. The final reports from the remaining two counties, Adams and Saguache, were not completed as each county was in the process of completing the 2011 reappraisal orders.

Wildrose Appraisal, Inc., recommended an order for reappraisal for Park County for 2012. The recommendation was based on the county's failure to implement HB 11-1146, § 39-1-102(1.6), C.R.S., regarding residences on agricultural parcels that were not an integral part of the agricultural operation. The Park County Assessor testified that he actually did implement the statute. He did not follow the procedures recommended by the Division of Property Taxation in the Assessors' Reference Library, Volume 3 to determine if a residence was integral to an agricultural operation. Instead, he exercised what he believed was his authority as assessor to make an alternative determination as to the integral nature of a residence on land classified as agricultural. He testified that he has extensive experience with water law, and he believed the drought conditions in his county caused any residence with a domestic well to be integral to a grazing or farming operation. Therefore, he did not classify any residences on agricultural parcels as non-integral. There was a motion to issue an order for reappraisal of residences on agricultural land for Park County, but it failed for lack of a second.

The next order of business was to review the 2012 Abstracts of Assessment. The Property Tax Administrator requested the acceptance of 62 county Abstracts of Assessment. The remaining two abstracts from Adams and Saguache Counties had been received, but were not included in this submission, as the reports did not include reappraisal information and were still under consideration. The final abstracts of assessment for both Adams and Saguache were to be submitted to the board by November 21, 2012. All 62 Abstracts of Assessment submitted were accepted by the board.

The final topic of the meeting dealt with requests from certain otherwise exempt organizations for the board to waive the filing deadline for their Annual Report for Exempt Properties as permitted in § 39-9-109(5), C.R.S.

The manager of the Exemptions Section submitted a list of those exempt organizations requesting their deadline be waived. He indicated the Division of Property Taxation had no objection to any of the waiver requests, but did outline for the board the filing history of several of the organizations

The October 25, 2012, meeting was concluded by hearing testimony from exempt organizations present at this meeting requesting a waiver of the filing deadline. In contrast to actions taken by the board in previous years, the board denied, either in whole or in part, several requests to waive the filing deadline.

The state board reconvened on November 15, 2012, to review issues not discussed or concluded in the October meeting. Three exempt organizations that had not been in attendance at the October meeting asked for reconsideration by the board for the waiver of the exempt property filing deadline. The board agreed to reconsider the denials for all three organizations and rescinded the action taken during the October meeting.

The board received six new requests to waive the filing deadline during the November 15, 2012, meeting. One of those requests was denied. The board imposed a 30-day deadline for the return of the Annual Report for Exempt Properties for those organizations that had been granted a waiver.

NOTE: A total of 104 petitions were heard between the two meetings, four of which were denied or continued at the conclusion of the

first hearing. Ultimately, the state board granted a waiver of filing deadline to 102 of 104 organizations and denied the remaining two petitions. When issuing their decisions, the state board stressed the importance of timely filing to avoid a similar problem in the future.

The state board then finalized the issues facing both Saguache and Park Counties.

After hearing testimony summarizing the findings of the investigation of the complaints, the board issued a reappraisal order to Saguache County for each property class that had omitted property for 2013. In order to ensure compliance with these orders, the board directed the Saguache County Assessor to allow the Division full access to all systems and information used by the assessor. The Property Tax Administrator informed the board that a reappraisal order issued under § 39-2-114, C.R.S., would not cause payback from the county for the Division's supervision nor would it cause payback for excess state aid to schools. As such, there would be no reimbursement to the state for the reappraisal. The board also directed the Saguache County Assessor to send out Special Notices of Value on all omitted property as far back as statute allowed.

The final issue brought before the board regarding Saguache County was a request of the property tax administrator to issue a Finding of Dereliction of Duty on the part of the assessor. After consideration of the evidence, the board issued a Finding of Dereliction of Duty.

The board then finalized the open issue regarding the auditor's recommendation for reappraisal to Park County for non-compliance with HB 11-1146. After accepting additional testimony from the Park County Assessor, the board ultimately chose not to issue an order of reappraisal to Park County for the 2012 assessment year.

2011 Enforcement and Repayment

On August 16, 2011, the state board met to consider the report and recommendations of the Property Tax Administrator concerning a complaint filed pursuant to § 39-2-111, C.R.S. The Adams County Assessor and, subsequently, a group of Adams County taxpayers, had requested an investigation as to whether the property tax laws had in any manner been evaded or violated. More

specifically, whether properties owned by certain persons were intentionally valued at a level below that required by the property tax laws of the State of Colorado. Based on the findings and conclusions in the report, the state board ordered a reappraisal of the commercial warehouse property class for the 2012 tax year. There is no repayment provision for a reappraisal ordered under this statute

On October 5, 2011, the state board met to review the findings and conclusions of Wildrose Appraisal, Inc., annual study contractor for Legislative Council. Based on the findings, the state board recommended an order of reappraisal for the residential class of property in Saguache County as well as Montezuma County's oil and gas production equipment.

JoAnn Groff, Property Tax Administrator, informed the board that Montezuma County asked that a new order not be issued for 2011, since they previously received orders to reappraise oil and gas personal property using the Basic Equipment Lists (BELs) and valuation grids published by the Division of Property Taxation for the prior two years. But, since orders are year specific and not issue specific, that request was denied.

NOTE: The 2011 order was also appealed to the District Court. Any repayment is deferred until the appeal process has been terminated or exhausted.

2010 Enforcement and Repayment

On October 5, 2010, the state board met to review the findings and conclusions of Wildrose Appraisal, Inc., annual study contractor for Legislative Council. Based on the findings, the state board issued a second order to Montezuma County to reappraise oil and gas personal property utilizing the methodology prescribed in the Basic Equipment Lists (BELs) and valuation grids published by the Division of Property Taxation in the Assessor's Reference Library, Volume 5. The board also met in executive session to discuss the pending District Court case resulting from a similar order that the board had issued to Montezuma County in 2009.

NOTE: The 2010 order was also appealed to the District Court. The District Court issued an order holding the 2010 appeal in abeyance until the decision of the 2009 case has been delivered.

2009 Enforcement and Repayment

On October 27, 2009, the state board met to review the findings and conclusions of Wildrose Appraisal, Inc., annual study contractor for Legislative Council. Based on the findings, the state board issued a reappraisal order for oil and gas personal property in Montezuma County.

NOTE: This order was appealed to the District Court.

The board also reviewed the status of its 2005 recommendation that Jackson County implement a five-year cycle for physical inspections of rural outbuildings. The Jackson County Assessor indicated that she had completed the physical inspections of all rural outbuildings in Jackson County.

DIVISION OF PROPERTY TAXATION

Under the general laws of Colorado, the Property Tax Administrator (Administrator) directs the Division of Property Taxation. The Administrator is appointed by the State Board of Equalization to serve a five-year term, and until a successor is appointed and qualified.

A primary responsibility of the Division is to administer the implementation of property tax law throughout the sixty-four (64) counties so that valuations are fair, uniform, and defensible, thereby ensuring that each property class contributes only its fair share of the total property tax revenue. In other words, the Division's goal is equalization of valuation and proper distribution of property taxes throughout the state.

The Division is comprised of four sections: Administrative Resources, Appraisal Standards, Exempt Properties, and State Assessed Properties.

Administrative Resources

Administrative Resources prepares and publishes administrative manuals, procedures and instructions. It conducts schools and seminars regarding the administrative functions of the assessors' offices. It conducts field studies and provides statewide assistance in tax increment financing, manufactured housing, title conveyance, mapping, abstracting valuations, certification of values to taxing entities, and workforce analysis studies. The section also investigates taxpayer or taxing entity complaints. It is responsible for various

studies and reports such as the residential assessment rate study and the Property Tax Administrator's Annual Report to the Governor and the General Assembly. It also coordinates with agencies having an interest in property taxation. In addition, the field staff works closely with assessors in all areas of property taxation.

Appraisal Standards

Appraisal Standards prepares and publishes appraisal manuals, procedures and instructions. It holds schools and seminars regarding all areas of appraisal. It conducts field studies and provides statewide assistance in agricultural land classification, natural resources and personal property valuation, as well as assistance in the valuation of residential, commercial and industrial properties. The section assists in reappraisal efforts, reviews internal appraisal forms used by assessors, and investigates and responds to taxpayer complaints.

Exempt Properties

The Exemptions Section is responsible for determining qualification for exemption from property taxation for properties that are owned and used for religious, charitable and private school purposes. Exempt property owners are required to file annual reports with the Division to continue exemption. The section provides assistance to counties and taxpayers with inquiries about exempt properties, conducts hearings on denied exemption applications and revocations of exemption, and defends appeals of such denials and revocations.

State Assessed Properties

The State Assessed Section values all public utilities, rail transportation companies, and airlines doing business in Colorado. The company valuations are then apportioned to the counties for collection of local property tax. The section conducts research projects in connection with state assessed companies; assists counties and taxpayers with inquiries on the assessment of public utilities, rail transportation companies, and airlines; hears protests of the assigned values and defends appeals of such valuations.

2013 VALUE INFORMATION

Taxable real property classified as residential, commercial, industrial, agricultural, and

vacant land, is subject to revaluation by county assessors every odd numbered year. Taxable property not subject to the biennial reassessment cycle is valued every year. This includes all property classified as state assessed; land and leaseholds classified as oil and gas, natural resources, and producing mines; and all subclasses of personal property.

For 2013, Colorado assessed values dropped \$793 million, representing a 0.9 percent decrease from the prior year. The statewide decrease was primarily attributable to the decrease in the value of the vacant land and oil and gas classes of property.

Table 2 displays the percent change to the total value of each property class.

TABLE 2

VALUE CHANGES BY CLASS		
Class	2012-2013	Class as %
	Change	of Total
Vacant Land	-13.1%	4.4%
Residential	-1.9%	43.4%
Commercial	3.2%	28.7%
Industrial	3.6%	3.9%
Agricultural	10.7%	1.2%
Natural Resources	4.7%	0.5%
Producing Mines	19.2%	0.9%
Oil and Gas	-9.9%	9.9%
State Assessed	5.7%	7.1%
Net Total	-0.9%	100.0%

Residential, Commercial, Industrial, and Vacant Land

The Colorado Constitution and statutes specify that real property classified as commercial, industrial and vacant land is valued by county assessors through consideration of the market, cost and income approaches to value. Residential property is valued solely by the market approach. For these classes of property, the changes in value reflect the changes that occurred between the reassessment cycle appraisal dates: June 30, 2010 and June 30, 2012.

Colorado showed a decline in three classes of property for 2013. They include the vacant land, residential and oil and gas class. Statewide, the vacant land class showed the most significant decline (-13.3%). Of the 64 Colorado Counties, 52 experienced a decline

in the total value of the vacant land class for 2013.

The oil and gas class also showed a decline (-9.9%) in total assessed value during 2013. The most significant decreases in this class were in Las Animas (-39.5%), Yuma (-37.7%), Gunnison (-36.1%), La Plata (-34.6%), Boulder (-31.8%) and Prowers (-31.2%) counties.

The total assessed valuation of the residential class decreased 1.9 percent in 2013. According to the S&P/Case Shiller Home Price Indices, home prices nationally “recorded an 11.3% gain” in 2013. However, the end of the data gathering period for 2013 reassessment values was June 30, 2012, meaning the last 6 months of local data is not available for inclusion in the analysis.

Statewide, we experienced an increase in assessed value for both the commercial (3.2%) and industrial (3.6%) classes of property. The total values of commercial and industrial classes are stabilized somewhat by the presence of personal property. Personal property accounts for 13.7 percent of the total value of the commercial class and 53.3 percent of the total value of the industrial class. The assessor re-values personal property every year, and the values are less subject to dramatic changes than are the values of real property.

Table 3 provides a by-county comparison of 2013 to 2012 values for the residential, commercial, and vacant land classes.

TABLE 3

COMPARISON OF PROPERTY CLASS VALUES BY COUNTY - 2013 to 2012									
COUNTY	RESIDENTIAL CLASS			COMMERCIAL CLASS			VACANT LAND CLASS		
	2013	2012	Change	2013	2012	Change	2013	2012	Change
Adams	1,978,307,420	1,983,416,840	-0.3%	1,792,159,490	1,679,186,270	6.7%	131,119,790	125,037,700	4.9%
Alamosa	52,855,464	51,319,469	3.0%	50,332,280	49,116,275	2.5%	14,444,905	14,627,821	-1.3%
Arapahoe	3,780,335,360	3,794,965,820	-0.4%	3,122,202,360	2,987,918,207	4.5%	189,953,460	207,018,570	-8.2%
Archuleta	141,608,860	142,763,050	-0.8%	43,488,470	47,761,520	-8.9%	66,743,970	80,319,090	-16.9%
Baca	7,314,292	6,263,699	16.8%	6,592,880	5,589,079	18.0%	371,148	339,320	9.4%
Bent	7,727,525	7,611,589	1.5%	19,140,402	19,042,034	0.5%	478,051	426,996	12.0%
Boulder	3,171,450,329	3,115,642,561	1.8%	1,733,355,792	1,706,655,455	1.6%	152,126,023	153,339,612	-0.8%
Broomfield	459,671,594	438,500,572	4.8%	515,310,460	430,853,370	19.6%	32,801,230	38,540,310	-14.9%
Chaffee	173,969,190	174,145,820	-0.1%	92,084,970	93,329,810	-1.3%	50,954,140	63,011,510	-19.1%
Cheyenne	4,840,438	4,125,742	17.3%	3,924,893	3,521,309	11.5%	285,460	262,959	8.6%
Clear Creek	96,991,170	98,225,980	-1.3%	24,925,660	26,364,880	-5.5%	22,175,420	23,030,290	-3.7%
Conejos	29,439,463	29,780,934	-1.1%	5,636,868	5,163,625	9.2%	9,404,402	9,454,206	-0.5%
Costilla	14,041,389	14,441,880	-2.8%	5,939,117	4,210,554	41.1%	83,563,383	93,909,895	-11.0%
Crowley	6,086,667	6,066,137	0.3%	22,795,795	21,193,021	7.6%	323,966	330,844	-2.1%
Custer	55,494,200	54,911,420	1.1%	7,709,440	7,535,980	2.3%	25,153,110	26,153,890	-3.8%
Delta	142,727,820	164,560,680	-13.3%	58,085,020	61,129,040	-5.0%	20,376,730	25,355,100	-19.6%
Denver	4,475,150,150	4,351,170,550	2.8%	5,538,094,420	5,183,682,440	6.8%	212,534,730	189,457,930	12.2%
Dolores	11,452,213	13,268,239	-13.7%	3,743,858	3,653,668	2.5%	5,498,926	7,175,354	-23.4%
Douglas	2,696,956,080	2,635,364,110	2.3%	1,413,213,870	1,361,585,780	3.8%	212,784,180	231,199,150	-8.0%
Eagle	1,795,612,750	1,913,674,330	-6.2%	643,441,460	593,343,460	8.4%	140,832,490	174,330,120	-19.2%
El Paso	3,491,980,710	3,507,345,120	-0.4%	2,023,350,890	2,002,738,130	1.0%	291,260,290	301,058,930	-3.3%
Elbert	166,640,620	173,416,690	-3.9%	22,743,690	22,902,430	-0.7%	17,648,860	17,264,740	2.2%
Fremont	185,295,940	194,644,660	-4.8%	78,154,610	79,949,010	-2.2%	45,127,860	48,965,870	-7.8%
Garfield	360,899,130	471,369,050	-23.4%	297,611,480	341,560,760	-12.9%	83,207,970	133,988,820	-37.9%
Gilpin	54,265,480	57,716,510	-6.0%	221,276,940	229,291,460	-3.5%	44,451,120	46,161,830	-3.7%
Grand	328,943,890	357,702,110	-8.0%	86,177,910	90,917,870	-5.2%	106,384,230	144,737,570	-26.5%
Gunnison	244,805,240	298,487,580	-18.0%	98,833,760	100,615,170	-1.8%	106,797,250	162,751,730	-34.4%
Hinsdale	29,737,880	32,341,500	-8.1%	7,421,710	7,595,930	-2.3%	19,183,800	19,643,920	-2.3%
Huerfano	40,622,342	38,558,675	5.4%	19,144,184	16,021,353	19.5%	16,612,693	16,401,582	1.3%
Jackson	9,575,015	9,421,867	1.6%	3,897,778	3,890,903	0.2%	1,836,495	1,865,433	-1.6%
Jefferson	4,144,051,124	4,126,025,665	0.4%	2,166,236,442	2,130,590,653	1.7%	175,987,814	182,096,923	-3.4%
Kiowa	2,145,070	2,093,150	2.5%	1,092,800	1,091,340	0.1%	79,810	73,230	9.0%
Kit Carson	23,103,008	23,535,001	-1.8%	34,662,754	31,520,295	10.0%	941,254	962,421	-2.2%
La Plata	547,468,410	582,113,590	-6.0%	355,357,460	370,909,320	-4.2%	139,706,230	165,008,240	-15.3%
Lake	49,110,584	53,353,134	-8.0%	10,696,341	11,380,398	-6.0%	18,599,008	23,438,786	-20.6%
Larimer	2,266,690,550	2,207,936,750	2.7%	1,305,337,370	1,297,017,780	0.6%	184,485,950	202,000,540	-8.7%
Las Animas	57,120,800	56,689,680	0.8%	33,046,050	34,664,280	-4.7%	13,718,890	16,628,470	-17.5%
Lincoln	11,642,891	11,567,032	0.7%	13,480,659	13,468,496	0.1%	1,424,560	1,436,010	-0.8%
Logan	59,421,970	58,773,520	1.1%	40,948,140	39,632,750	3.3%	2,318,960	2,603,560	-10.9%
Mesa	734,208,470	852,717,370	-13.9%	573,656,490	564,689,060	1.6%	92,053,980	123,879,130	-25.7%
Mineral	18,687,510	18,077,120	3.4%	7,071,537	6,325,630	11.8%	9,602,276	9,428,070	1.8%
Moffat	54,419,679	62,770,639	-13.3%	39,203,869	40,188,960	-2.5%	9,946,792	10,637,462	-6.5%
Montezuma	122,494,280	138,415,450	-11.5%	64,495,330	65,958,010	-2.2%	20,809,600	24,942,120	-16.6%
Montrose	199,502,490	246,511,490	-19.1%	150,074,850	158,345,250	-5.2%	31,967,680	52,485,630	-39.1%
Morgan	88,814,750	87,518,200	1.5%	57,449,000	62,029,910	-7.4%	5,034,600	4,933,520	2.0%
Otero	40,851,662	42,397,504	-3.6%	26,077,331	26,727,560	-2.4%	1,429,460	1,434,357	-0.3%
Ouray	74,333,330	81,059,850	-8.3%	26,511,100	30,604,340	-13.4%	40,301,190	59,396,220	-32.1%
Park	200,727,040	221,841,630	-9.5%	24,616,167	26,425,904	-6.8%	130,759,860	161,679,630	-19.1%
Phillips	15,544,000	14,880,970	4.5%	13,731,600	12,590,620	9.1%	377,160	328,080	15.0%
Pitkin	1,745,044,150	1,917,257,270	-9.0%	594,679,610	547,683,800	8.6%	234,918,380	261,525,610	-10.2%
Prowers	24,108,868	24,853,319	-3.0%	23,996,879	24,497,247	-2.0%	713,264	723,601	-1.4%
Pueblo	564,269,261	596,036,622	-5.3%	302,966,398	300,580,438	0.8%	53,706,451	62,929,731	-14.7%
Rio Blanco	38,573,210	43,655,240	-11.6%	24,642,150	27,553,500	-10.6%	5,429,930	5,880,050	-7.7%
Rio Grande	65,601,742	64,316,010	2.0%	45,846,674	45,428,562	0.9%	25,865,855	30,715,001	-15.8%
Routt	498,320,820	604,356,140	-17.5%	218,716,010	234,540,650	-6.7%	110,038,750	137,983,140	-20.3%
Saguache	21,581,587	19,426,830	11.1%	7,661,676	5,990,050	27.9%	16,525,897	18,444,220	-10.4%
San Juan	10,065,072	11,938,060	-15.7%	8,711,312	9,160,955	-4.9%	13,504,555	14,977,670	-9.8%
San Miguel	401,069,940	480,681,170	-16.6%	102,430,930	105,641,920	-3.0%	167,579,700	215,774,060	-22.3%
Sedgwick	5,523,360	5,208,110	6.1%	3,725,180	3,643,860	2.2%	297,870	291,870	2.1%
Summit	1,017,152,623	1,052,991,108	-3.4%	327,900,049	326,686,015	0.4%	145,835,508	176,012,680	-17.1%
Teller	174,589,410	182,107,890	-4.1%	92,565,190	101,113,360	-8.5%	63,309,190	75,504,090	-16.2%
Washington	10,554,387	10,722,433	-1.6%	4,178,955	4,057,015	3.0%	207,605	209,214	-0.8%
Weld	1,125,202,430	1,126,180,660	-0.1%	719,255,590	742,391,710	-3.1%	67,558,650	77,121,290	-12.4%
Yuma	29,603,160	28,990,550	2.1%	25,932,100	25,488,170	1.7%	1,151,270	1,160,810	-0.8%
Total	38,456,396,259	39,198,222,341	-1.9%	25,407,744,450	24,614,936,601	3.2%	3,890,623,731	4,478,806,528	-13.1%

Oil and Gas

There were 51,737 producing natural gas and oil wells in Colorado as of the close of 2013, an increase of 1,670 wells. Over half of the wells are concentrated in Weld (40.4%) and Garfield (20.4%) Counties. Six counties house 86.5 percent of the total number of wells: Weld, Garfield, Yuma, La Plata, Las Animas and Rio Blanco. The taxable value of real property associated with oil and gas wells is calculated as a percentage of the revenue obtained for the product at the wellhead during the prior year. This makes oil and gas among the most volatile of property classes because the market prices of natural gas and crude oil can change considerably from year to year.

Colorado has experienced a decrease of 9.9 percent in the total assessed value of the oil and gas class during 2013. Among the classes of taxable property, oil and gas contains the third highest total assessed value for 2013. The 2013 total assessed value for the oil and gas class is \$8,780,218,356, which is 9.9 percent of the state's total taxable value. A recent history of statewide assessed values for the oil and gas class is shown in **Table 4**.

TABLE 4

2013 OIL AND GAS CLASS			
Year	(Billions) Value	Change from Prior Year	% of Total Taxable
2004	\$3.9	77.6%	6.0%
2005	\$5.1	29.4%	7.2%
2006	\$7.3	45.0%	9.8%
2007	\$7.2	-1.4%	8.5%
2008	\$7.7	6.3%	8.8%
2009	\$11.9	54.5%	12.1%
2010	\$6.3	-47.3%	6.7%
2011	\$8.6	37.2%	9.8%
2012	\$9.7	13.6%	10.9%
2013	\$8.8	-9.9%	9.9%

Table 5 below provides a more detailed understanding of the assessed values for each of the oil and gas counties.

TABLE 5

2013 OIL & GAS - COUNTY RANK								
County Rank	County	2013 Oil and Gas Value	2012 Oil and Gas Value	Total Taxable Value 2013	Total Taxable Value 2012	Oil & Gas as % of Total Value	Oil & Gas % Change 2012-2013	Total Value % Change 2012-2013
1	Weld	3,908,689,490	3,383,487,090	7,137,357,770	6,515,719,690	54.8%	15.5%	9.5%
2	Garfield	2,033,436,910	2,870,914,810	2,896,931,830	3,931,933,010	70.2%	-29.2%	-26.3%
3	Rio Blanco	732,306,010	835,502,410	1,295,816,610	1,383,325,500	56.5%	-12.4%	-6.3%
4	La Plata	683,878,250	1,045,070,690	1,846,194,190	2,278,272,200	37.0%	-34.6%	-19.0%
5	Montezuma	386,097,000	357,327,970	664,269,030	654,742,820	58.1%	8.1%	1.5%
6	Mesa	165,486,800	222,885,640	1,827,031,060	2,022,495,180	9.1%	-25.8%	-9.7%
7	Las Animas	152,103,140	251,466,080	372,834,620	473,531,550	40.8%	-39.5%	-21.3%
8	Cheyenne	99,609,884	111,909,421	156,051,873	158,385,539	63.8%	-11.0%	-1.5%
9	Moffat	93,333,695	102,298,452	464,944,197	484,072,798	20.1%	-8.8%	-4.0%
10	Adams	72,086,270	63,920,720	4,791,851,590	4,622,808,830	1.5%	12.8%	3.7%
11	Dolores	69,049,277	60,940,790	108,255,262	103,223,775	63.8%	13.3%	4.9%
12	Yuma	68,422,490	109,845,430	239,669,590	280,928,960	28.5%	-37.7%	-14.7%
13	Washington	36,739,933	41,176,473	131,693,675	126,791,044	27.9%	-10.8%	3.9%
14	Lincoln	33,945,654	33,464,457	123,791,888	107,622,624	27.4%	1.4%	15.0%
15	Logan	25,665,280	18,126,360	273,954,560	271,131,910	9.4%	41.6%	1.0%
16	Boulder	23,314,532	34,184,868	5,734,619,950	5,641,000,573	0.4%	-31.8%	1.7%
17	Arapahoe	21,883,270	8,542,386	7,617,590,944	7,461,738,443	0.3%	156.2%	2.1%
18	San Miguel	21,227,030	25,437,910	728,982,630	857,029,260	2.9%	-16.6%	-14.9%
19	Archuleta	20,526,250	28,615,670	289,738,030	317,017,350	7.1%	-28.3%	-8.6%
20	Fremont	18,129,800	19,535,560	433,287,160	452,866,150	4.2%	-7.2%	-4.3%
21	Broomfield	17,643,260	21,970,690	1,168,456,234	1,061,569,492	1.5%	-19.7%	10.1%
22	Kiowa	16,600,570	18,857,100	41,826,920	43,018,710	39.7%	-12.0%	-2.8%
23	Morgan	13,215,010	9,895,050	446,684,600	429,691,960	3.0%	33.6%	4.0%
24	Jackson	12,782,699	11,661,171	44,382,431	42,335,152	28.8%	9.6%	4.8%
25	Larimer	12,728,703	12,239,922	4,220,907,333	4,125,490,062	0.3%	4.0%	2.3%
26	Phillips	7,910,870	6,679,460	73,636,288	60,309,630	10.7%	18.4%	22.1%
27	Baca	7,513,863	6,433,734	82,070,383	74,259,467	9.2%	16.8%	10.5%
28	Huerfano	5,854,157	7,262,387	121,117,624	114,497,939	4.8%	-19.4%	5.8%
29	Gunnison	5,799,980	9,077,480	576,574,560	689,173,800	1.0%	-36.1%	-16.3%
30	Elbert	4,779,740	5,242,870	261,343,650	259,953,740	1.8%	-8.8%	0.5%
31	Routt	4,135,780	5,601,410	1,019,208,260	1,158,078,450	0.4%	-26.2%	-12.0%
32	Prowers	2,060,245	2,994,001	123,668,047	124,320,105	1.7%	-31.2%	-0.5%
33	Delta	1,139,370	1,457,660	303,014,010	320,253,880	0.4%	-21.8%	-5.4%
34	Kit Carson	912,761	1,253,899	142,067,681	133,838,882	0.6%	-27.2%	6.1%
35	Bent	660,736	940,378	77,635,634	74,468,657	0.9%	-29.7%	4.3%
36	Sedgwick	425,190	362,370	56,640,760	56,294,210	0.8%	17.3%	0.6%
37	El Paso	81,420	-	6,352,454,920	6,327,576,720	0.0%	0.0%	0.4%
38	Jefferson	43,037	-	7,064,385,771	6,993,631,431	0.0%	0.0%	1.0%

Other Production Classes

As with oil and gas, most of the value of real property classified as natural resources and producing mines is calculated as a percentage of the income obtained from selling the product. The natural resources class includes properties that produce coal, sand, and gravel. It also includes non-producing patented mining claims and severed mineral interests. All counties, except the City and County of Denver, have natural resource property, but the class comprises only 0.46 percent of the state's total assessed value.

Although similar in total value, the great majority of the producing mines value is associated with only two mines located in three counties. The Henderson mine, located on the Continental Divide in the counties of Clear Creek and Grand, is one of the world's largest primary producers of molybdenum. The Henderson mine is located approximately 42 miles west of Denver, Colorado. The mine and the mill are connected by the world's longest conveyor of its kind; a fifteen-mile elevated belt that passes underneath the Continental Divide through an old train tunnel and then above ground to the mill. Since 1976, the Henderson Mine has produced more than 160 million tons of ore and 770 million pounds of molybdenum.

Colorado ranks 4th in the U.S. in gold production; most of which is produced in Teller County. The county's primary mine, the Cresson Mine, is located between the towns of Victor and Cripple Creek.

The value of mining operations in Colorado is sensitive to changes in commodity prices, owners' business choices and decisions rendered on property tax appeals. According to the United States Geological Survey, domestic gold mine production in 2013 decreased slightly from 2012. The average price of gold decreased by 16.3 percent for 2013 to \$1,400 per troy ounce, down from \$1,673 per ounce listed the prior year.

Agricultural Property

The value established for agricultural land is based on a 10-year average of the earning or productive capacity of the land regardless of the property's market value or its highest and best use. As a result, the actual values of agricultural property are often much lower than their market values, and they tend to be

relatively stable from year to year. Property tax year 2013 was somewhat of an anomaly.

The large increase in the value of agricultural property in 2013 was due to record highs in the market commodity prices that were incorporated into the 10-year average, as well as the fact that expenses did not keep up with record increases in market commodity prices.

State Assessed Property

Unlike most other classes, property classified as state assessed is valued annually by the Division of Property Taxation using unitary valuation procedures. The state assessed property class is comprised of real and personal property owned by public utilities as defined by Title 39 Article 4 of the Colorado Revised Statutes. By far the largest portion of this value is attributable to personal property. The State Assessed Section of the Division values each company and allocates a portion of the value to Colorado. That value is then apportioned to the appropriate counties based on the location of the company's operating property or business activity. The county assessor then distributes the value to the appropriate tax areas throughout the county.

Information obtained from the State Assessed Section indicated an increase in assessed value of 5.8 percent in 2013. Continued economic recovery from the "great recession" that began in 2008 is reflected in these increased numbers. Primary upward influences were noted in distribution pipelines, railroads and rate regulated electric companies. A strong market for oil and natural gas liquids is reflected in the increase for fluid pipelines. Depressed demand for Rocky Mountain natural gas resulted in a decline in gas transmission pipeline values. The values for airlines are beginning to stabilize after significant declines in previous years, but still exhibited a small downward trend.

Personal Property in 2013

In 2013, personal property accounted for 14.7 percent of Colorado's property tax base, but that percentage varied substantially from county to county. Approximately 40.7 percent of personal property is classified as state assessed while the remainder is valued at the local level. In 2013, 83.9 percent of the state assessed property value was for personal property. All taxable personal property is assessed at 29 percent of its actual value.

Under the Colorado Constitution and statutes, certain categories of business personal property are exempt from taxation, including equipment used for agricultural purposes, inventory, and supplies held for consumption.

Prior to January 1, 2009, business personal property under common ownership with a total actual value of no more than \$2,500 per county was also exempt. However, with the passage of HB 08-1225, the amount of actual value subject to the exemption increased or is scheduled to increase according to the following schedule:

- Seven thousand dollars (\$7,000) for property tax years 2013 and 2014.
- Subsequent adjustments will occur biennially to account for inflation since the amount of the exemption last changed.

HB 08-1225 directs the Property Tax Administrator to calculate the amount of the exemption for the next two-year cycle and in every even numbered year thereafter.

In addition, a provision found in the Colorado Constitution allows any taxing entity to "enact cumulative uniform exemptions and credits to reduce or end business personal property taxes," § 20(8)(b), art. X, COLO. CONST.

Table 6 lists the state assessed, locally assessed and total taxable personal property by county and the percentage of taxable value consisting of personal property.

TABLE 6

DISTRIBUTION OF PERSONAL PROPERTY IN 2013

County	State Assd.		Locally Assd.		Total Personal	% of Total	Total Real	Total Assd. Value
	Personal	% of Total	Personal	% of Total				
Adams	405,675,470	8.47%	593,790,310	12.39%	999,465,780	20.86%	3,792,385,810	4,791,851,590
Alamosa	19,444,223	12.27%	7,420,248	4.68%	26,864,471	16.96%	131,546,086	158,410,557
Arapahoe	394,509,680	5.18%	487,776,270	6.40%	882,285,950	11.58%	6,735,304,994	7,617,590,944
Archuleta	8,847,304	3.05%	9,378,760	3.24%	18,226,064	6.29%	271,511,966	289,738,030
Baca	34,149,910	41.61%	2,910,996	3.55%	37,060,906	45.16%	45,009,477	82,070,383
Bent	24,409,930	31.44%	1,349,235	1.74%	25,759,165	33.18%	51,876,469	77,635,634
Boulder	168,857,710	2.94%	400,364,298	6.98%	569,222,008	9.93%	5,165,397,942	5,734,619,950
Broomfield	50,852,470	4.35%	109,984,660	9.41%	160,837,130	13.76%	1,007,619,104	1,168,456,234
Chaffee	17,868,535	5.02%	10,158,130	2.85%	28,026,665	7.88%	327,809,465	355,836,130
Cheyenne	18,271,030	11.71%	14,217,433	9.11%	32,488,463	20.82%	123,563,410	156,051,873
Clear Creek	16,070,820	2.69%	59,110,540	9.90%	75,181,360	12.59%	522,158,970	597,340,330
Conejos	4,694,252	7.41%	879,828	1.39%	5,574,080	8.80%	57,753,054	63,327,134
Costilla	6,801,216	5.58%	2,548,215	2.09%	9,349,431	7.67%	112,550,173	121,899,604
Crowley	5,633,936	13.98%	1,033,089	2.56%	6,667,025	16.54%	33,638,531	40,305,556
Custer	5,354,080	5.35%	394,350	0.39%	5,748,430	5.74%	94,384,240	100,132,670
Delta	32,829,950	10.83%	24,355,090	8.04%	57,185,040	18.87%	245,828,970	303,014,010
Denver	497,523,972	4.41%	742,949,480	6.59%	1,240,473,452	11.00%	10,036,995,998	11,277,469,450
Dolores	12,879,164	11.90%	14,203,770	13.12%	27,082,934	25.02%	81,172,328	108,255,262
Douglas	199,298,900	4.25%	264,488,650	5.64%	463,787,550	9.89%	4,225,671,980	4,689,459,530
Eagle	71,693,420	2.67%	89,736,440	3.34%	161,429,860	6.01%	2,523,575,660	2,685,005,520
El Paso	236,103,750	3.72%	403,267,340	6.35%	639,371,090	10.06%	5,713,083,830	6,352,454,920
Elbert	26,375,988	10.09%	5,262,580	2.01%	31,638,568	12.11%	229,705,082	261,343,650
Fremont	38,519,010	8.89%	49,075,430	11.33%	87,594,440	20.22%	345,692,720	433,287,160
Garfield	82,198,510	2.84%	766,492,480	26.46%	848,690,990	29.30%	2,048,240,840	2,896,931,830
Gilpin	8,423,661	2.48%	28,826,070	8.49%	37,249,731	10.98%	302,146,389	339,396,120
Grand	34,409,180	4.88%	45,230,850	6.42%	79,640,030	11.30%	625,410,900	705,050,930
Gunnison	10,476,060	1.82%	68,138,140	11.82%	78,614,200	13.63%	497,960,360	576,574,560
Hinsdale	651,540	1.11%	349,860	0.60%	1,001,400	1.71%	57,680,560	58,681,960
Huerfano	26,307,672	21.72%	5,656,081	4.67%	31,963,753	26.39%	89,153,871	121,117,624
Jackson	2,689,957	6.06%	4,251,248	9.58%	6,941,205	15.64%	37,441,226	44,382,431
Jefferson	292,837,409	4.15%	454,884,868	6.44%	747,722,277	10.58%	6,316,663,494	7,064,385,771
Kiowa	3,311,420	7.92%	1,390,860	3.33%	4,702,280	11.24%	37,124,640	41,826,920
Kit Carson	39,725,280	27.96%	5,101,717	3.59%	44,826,997	31.55%	97,240,684	142,067,681
La Plata	69,241,600	3.75%	320,243,350	17.35%	389,484,950	21.10%	1,456,709,240	1,846,194,190
Lake	12,106,859	5.24%	108,078,407	46.78%	120,185,266	52.03%	110,825,985	231,011,251
Larimer	105,172,500	2.49%	326,636,047	7.74%	431,808,547	10.23%	3,789,098,786	4,220,907,333
Las Animas	75,338,600	20.21%	111,395,550	29.88%	186,734,150	50.08%	186,100,470	372,834,620
Lincoln	36,508,043	29.49%	4,350,152	3.51%	40,858,195	33.01%	82,933,693	123,791,888
Logan	83,501,900	30.48%	15,489,400	5.65%	98,991,300	36.13%	174,963,260	273,954,560
Mesa	111,910,310	6.13%	202,333,690	11.07%	314,244,000	17.20%	1,512,787,060	1,827,031,060
Mineral	1,434,700	3.67%	2,391,043	6.12%	3,825,743	9.79%	35,240,936	39,066,679
Moffat	174,411,291	37.51%	51,014,521	10.97%	225,425,812	48.48%	239,518,385	464,944,197
Montezuma	39,956,980	6.02%	53,853,950	8.11%	93,810,930	14.12%	570,458,100	664,269,030
Montrose	52,068,366	10.58%	27,012,250	5.49%	79,080,616	16.07%	412,946,824	492,027,440
Morgan	163,221,570	36.54%	50,547,390	11.32%	213,768,960	47.86%	232,915,640	446,684,600
Otero	27,822,920	21.06%	7,435,125	5.63%	35,258,045	26.69%	96,837,975	132,096,020
Ouray	5,895,400	3.83%	2,399,710	1.56%	8,295,110	5.39%	145,737,240	154,032,350
Park	23,427,633	5.94%	3,172,000	0.80%	26,599,633	6.75%	367,607,964	394,207,597
Phillips	3,718,820	5.05%	6,668,400	9.06%	10,387,220	14.11%	63,249,068	73,636,288
Pitkin	25,268,740	0.97%	52,810,500	2.02%	78,079,240	2.99%	2,535,759,900	2,613,839,140
Prowers	34,390,128	27.81%	7,828,745	6.33%	42,218,873	34.14%	81,449,174	123,668,047
Pueblo	457,450,834	27.43%	180,589,369	10.83%	638,040,203	38.26%	1,029,558,007	1,667,598,210
Rio Blanco	95,598,840	7.38%	594,784,780	45.90%	690,383,620	53.28%	605,432,990	1,295,816,610
Rio Grande	11,808,433	6.80%	7,174,514	4.13%	18,982,947	10.93%	154,702,740	173,685,687
Routt	93,762,683	9.20%	54,991,410	5.40%	148,754,093	14.60%	870,454,167	1,019,208,260
Saguache	6,147,482	8.91%	754,578	1.09%	6,902,060	10.00%	62,101,729	69,003,789
San Juan	1,797,857	4.06%	480,735	1.08%	2,278,592	5.14%	42,050,867	44,329,459
San Miguel	20,085,370	2.76%	20,058,700	2.75%	40,144,070	5.51%	688,838,560	728,982,630
Sedgwick	26,201,920	46.26%	1,429,530	2.52%	27,631,450	48.78%	29,009,310	56,640,760
Summit	32,126,380	2.08%	64,030,351	4.15%	96,156,731	6.23%	1,447,923,346	1,544,080,077
Teller	19,661,924	3.62%	51,336,270	9.46%	70,998,194	13.08%	471,696,806	542,695,000
Washington	41,418,472	31.45%	3,763,517	2.86%	45,181,989	34.31%	86,511,686	131,693,675
Weld	608,397,750	8.52%	675,635,160	9.47%	1,284,032,910	17.99%	5,853,324,860	7,137,357,770
Yuma	47,022,850	19.62%	35,168,370	14.67%	82,191,220	34.29%	157,478,370	239,669,590
TOTALS	5,304,572,564	5.99%	7,718,834,830	8.71%	13,023,407,394	14.70%	75,577,522,361	88,600,929,755

RESIDENTIAL ASSESSMENT RATE

In 1982, the electorate passed sweeping changes to the portion of the Colorado Constitution that governs the property tax system. One of these changes was the enactment of a provision known as the “Gallagher Amendment,” found in § 3(1)(b), art. X, COLO. CONST.

The purpose of the Gallagher Amendment is to stabilize residential real property’s share of the statewide property tax base. From 1958 to 1982, the percentage of total assessed value consisting of residential property increased from 29 to 44 percent. This occurred primarily because market value increases to residential property greatly outpaced market value increases to non-residential property.

To counter this trend, the Gallagher Amendment requires a review and potential adjustment of the residential assessment rate each time there is a year of general reassessment. This adjustment is meant to ensure that the rate of change to the state’s total assessed value of residential property remains essentially the same as it is for non-residential property. The current residential assessment rate is 7.96 percent of assessed value. In contrast, the assessment rate for most classes of non-residential property is fixed at 29 percent. A history of changes to the residential assessment rate is shown in **Table 7**.

TABLE 7

RESIDENTIAL ASSESSMENT RATE	
Years	Rate
Prior to 1983	30%
1983-1986	21%
1987	18%
1988	16%
1989-1990	15%
1991-1992	14.34%
1993-1994	12.86%
1995-1996	10.36%
1997-2000	9.74%
2001-2002	9.15%
2003-2014	7.96%

During years of general reassessment (odd numbered years), § 39-1-104.2(5)(c), C.R.S., requires the Property Tax Administrator to complete a documented study that is used by the General Assembly to enact a new residential assessment rate into law. The 2013 preliminary and final residential assessment rate study reports are accessible on the Division’s web site at www.dola.colorado.gov/dpt/publications/index.htm.

* The studies conducted in 1999, 2005, 2007, 2009, 2011 and 2013 resulted in a determination that the residential assessment rate should be adjusted above the rate that had been enacted for the previous two-year cycle. However, § 20(4)(a), art. X, COLO. CONST. (TABOR) prohibits the General Assembly from increasing an assessment rate without statewide voter approval. For these years, the General Assembly chose to reenact the rate that was effective during the prior two years.

Assessment Rate and Tax Burden

Table 8 calculates the savings to residential taxpayers from the inception of the Gallagher Amendment through 2013. It does so by comparing the taxes paid by residential property owners to an estimate of the taxes they would have paid had the Gallagher Amendment not been enacted. The estimated savings to residential property owners is \$22,342,976,523. The table begins with 1987, because the residential assessment rate remained at 21 percent until 1987. The contents of each column in the table are described below.

- 1 Tax year
- 2 Hypothetical residential assessment rate of 21 percent
- 3 Enacted residential assessment rate for each tax year
- 4 Savings to residential taxpayers

TABLE 8

PROPERTY TAX BURDEN SHIFT DUE TO GALLAGHER AMENDMENT			
Tax Year	Res. Rate w/o Gallagher	Actual Res. Rate	Savings to Res Taxpayers
1987	21%	18.00%	\$79,064,785
1988	21%	16.00%	\$147,836,269
1989	21%	15.00%	\$187,262,167
1990	21%	15.00%	\$188,963,583
1991	21%	14.34%	\$222,648,266
1992	21%	14.34%	\$228,704,050
1993	21%	12.86%	\$294,643,464
1994	21%	12.86%	\$305,366,542
1995	21%	10.36%	\$460,958,707
1996	21%	10.36%	\$480,301,188
1997	21%	9.74%	\$568,826,762
1998	21%	9.74%	\$598,265,545
1999	21%	9.74%	\$653,172,356
2000	21%	9.74%	\$688,841,354
2001	21%	9.15%	\$823,345,112
2002	21%	9.15%	\$873,143,882
2003	21%	7.96%	\$1,053,722,569
2004	21%	7.96%	\$1,113,935,541
2005	21%	7.96%	\$1,190,706,817
2006	21%	7.96%	\$1,269,270,060
2007	21%	7.96%	\$1,436,467,739
2008	21%	7.96%	\$1,474,388,587
2009	21%	7.96%	\$1,603,530,945
2010	21%	7.96%	\$1,576,160,489
2011	21%	7.96%	\$1,549,036,053
2012	21%	7.96%	\$1,628,595,994
2013	21%	7.96%	\$1,645,817,700
			\$22,342,976,523

Table 9 illustrates the effect of Gallagher on the statewide assessed value of residential property since 1983. The percentage of actual value attributable to residential property has increased dramatically since Gallagher's inception, from 53.2 percent in 1983 to nearly 76.4 percent in 2013. At the same time, the adjustment of the residential assessment rate caused the percentage of total assessed value consisting of residential property to remain essentially stable.

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	100.00%	43.20%	56.80%
1984	\$17,905,089,000	\$7,921,865,470	\$9,983,223,530	1984	100.00%	44.24%	55.76%
1985	\$18,730,104,000	\$8,327,520,240	\$10,402,583,760	1985	100.00%	44.46%	55.54%
1986	\$19,216,096,000	\$8,646,958,180	\$10,569,137,820	1986	100.00%	45.00%	55.00%
1987	\$33,261,142,000	\$16,082,850,600	\$17,178,291,400	1987	100.00%	48.35%	51.65%
1988	\$31,660,568,730	\$14,565,865,580	\$17,094,703,150	1988	100.00%	46.01%	53.99%
1989	\$29,131,941,640	\$13,247,498,311	\$15,884,443,329	1989	100.00%	45.47%	54.53%
1990	\$29,082,011,770	\$13,393,681,560	\$15,688,330,210	1990	100.00%	46.05%	53.95%
1991	\$28,285,335,860	\$12,886,606,790	\$15,398,729,070	1991	100.00%	45.56%	54.44%
1992	\$28,490,629,640	\$13,256,627,100	\$15,234,002,540	1992	100.00%	46.53%	53.47%
1993	\$28,820,035,320	\$13,373,489,410	\$15,446,545,910	1993	100.00%	46.40%	53.60%
1994	\$29,831,046,660	\$13,970,427,000	\$15,860,619,660	1994	100.00%	46.83%	53.17%
1995	\$32,469,922,680	\$15,155,131,610	\$17,314,791,070	1995	100.00%	46.67%	53.33%
1996	\$33,606,775,890	\$15,788,272,000	\$17,818,503,890	1996	100.00%	46.98%	53.02%
1997	\$38,536,664,720	\$17,673,602,020	\$20,863,062,700	1997	100.00%	45.86%	54.14%
1998	\$40,165,596,490	\$18,452,519,220	\$21,713,077,270	1998	100.00%	45.94%	54.06%
1999	\$46,711,921,473	\$21,633,354,370	\$25,078,567,103	1999	100.00%	46.31%	53.69%
2000	\$48,757,383,218	\$22,729,547,584	\$26,027,835,634	2000	100.00%	46.62%	53.38%
2001	\$58,812,663,875	\$27,699,298,175	\$31,113,365,700	2001	100.00%	47.10%	52.90%
2002	\$60,564,946,027	\$28,888,969,314	\$31,675,976,713	2002	100.00%	47.70%	52.30%
2003	\$61,949,204,975	\$29,523,577,562	\$32,425,627,413	2003	100.00%	47.66%	52.34%
2004	\$64,630,921,990	\$30,470,840,993	\$34,160,080,997	2004	100.00%	47.15%	52.85%
2005	\$70,625,603,899	\$33,110,601,388	\$37,515,002,511	2005	100.00%	46.88%	53.12%
2006	\$74,549,449,375	\$34,350,208,817	\$40,199,240,558	2006	100.00%	46.08%	53.92%
2007	\$85,147,187,463	\$39,331,276,064	\$45,815,911,399	2007	100.00%	46.19%	53.81%
2008	\$87,550,006,576	\$40,409,568,301	\$47,140,438,275	2008	100.00%	46.16%	53.84%
2009	\$97,784,900,451	\$42,297,938,878	\$55,486,961,573	2009	100.00%	43.26%	56.74%
2010	\$92,648,660,822	\$42,724,826,559	\$49,923,834,263	2010	100.00%	46.11%	53.89%
2011	\$87,800,805,733	\$38,873,700,101	\$48,927,105,632	2011	100.00%	44.27%	55.73%
2012	\$89,393,974,177	\$39,198,222,341	\$50,195,751,836	2012	100.00%	43.85%	56.15%
2013	\$88,600,929,755	\$38,456,396,259	\$50,144,533,496	2013	100.00%	43.40%	56.60%

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	100.00%	53.20%	46.80%
1984	\$69,718,797,755	\$37,723,168,905	\$31,995,628,850	1984	100.00%	54.11%	45.89%
1985	\$72,958,307,363	\$39,654,858,286	\$33,303,449,078	1985	100.00%	54.35%	45.65%
1986	\$75,118,950,953	\$41,175,991,333	\$33,942,959,620	1986	100.00%	54.81%	45.19%
1987	\$146,891,450,388	\$89,349,170,000	\$57,542,280,388	1987	100.00%	60.83%	39.17%
1988	\$148,225,023,177	\$91,036,659,875	\$57,188,363,302	1988	100.00%	61.42%	38.58%
1989	\$141,342,075,160	\$88,316,655,407	\$53,025,419,753	1989	100.00%	62.48%	37.52%
1990	\$141,421,555,163	\$89,291,210,400	\$52,130,344,763	1990	100.00%	63.14%	36.86%
1991	\$140,967,103,411	\$89,864,761,437	\$51,102,341,974	1991	100.00%	63.75%	36.25%
1992	\$142,906,267,259	\$92,445,098,326	\$50,461,168,932	1992	100.00%	64.69%	35.31%
1993	\$155,096,689,828	\$103,992,919,207	\$51,103,770,621	1993	100.00%	67.05%	32.95%
1994	\$160,946,706,538	\$108,634,735,614	\$52,311,970,923	1994	100.00%	67.50%	32.50%
1995	\$203,663,083,533	\$146,285,054,151	\$57,378,029,382	1995	100.00%	71.83%	28.17%
1996	\$211,793,556,887	\$152,396,447,876	\$59,397,109,011	1996	100.00%	71.96%	28.04%
1997	\$250,804,220,896	\$181,453,819,507	\$69,350,401,389	1997	100.00%	72.35%	27.65%
1998	\$261,128,074,968	\$189,450,916,016	\$71,677,158,951	1998	100.00%	72.55%	27.45%
1999	\$306,002,830,219	\$222,108,361,088	\$83,894,469,131	1999	100.00%	72.58%	27.42%
2000	\$320,312,771,175	\$233,362,911,540	\$86,949,859,635	2000	100.00%	72.85%	27.15%
2001	\$404,716,127,139	\$302,724,570,219	\$101,991,556,920	2001	100.00%	74.80%	25.20%
2002	\$419,294,563,373	\$315,726,440,590	\$103,568,122,783	2002	100.00%	75.30%	24.70%
2003	\$478,546,478,821	\$370,899,215,603	\$107,647,263,218	2003	100.00%	77.51%	22.49%
2004	\$492,572,877,562	\$382,799,509,962	\$109,773,367,599	2004	100.00%	77.71%	22.29%
2005	\$534,826,428,655	\$415,962,328,995	\$118,864,099,660	2005	100.00%	77.78%	22.22%
2006	\$554,757,341,157	\$431,535,286,646	\$123,222,054,512	2006	100.00%	77.79%	22.21%
2007	\$636,895,128,388	\$494,111,508,342	\$142,783,620,046	2007	100.00%	77.58%	22.42%
2008	\$654,555,841,028	\$507,657,893,229	\$146,897,947,799	2008	100.00%	77.56%	22.44%
2009	\$698,329,685,726	\$531,381,141,683	\$166,948,544,043	2009	100.00%	76.09%	23.91%
2010	\$697,131,096,490	\$536,744,052,249	\$160,387,044,241	2010	100.00%	76.99%	23.01%
2011	\$640,184,233,596	\$488,363,066,595	\$151,821,167,000	2011	100.00%	76.28%	23.72%
2012	\$646,127,902,421	\$492,439,979,158	\$153,687,923,263	2012	100.00%	76.21%	23.79%
2013	\$632,765,232,226	\$483,120,556,018	\$149,644,676,208	2013	100.00%	76.35%	23.65%

PROTESTS, APPEALS, AND ABATEMENTS

Protests and Appeals

Colorado statutes mandate a process that allows taxpayers the opportunity to challenge the actual value established for their property. 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 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 either year of the reassessment cycle; the first year or odd numbered year or the intervening year or even numbered year. However, the number of protests and appeals are typically higher during the first year of the reassessment cycle.

The number of protests and appeals vary greatly from county to county. In 2013, Larimer County received the greatest number of protests with 8,876 while both Jackson and Kiowa Counties 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 first year of the last three reassessment cycles, 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

An abatement of tax is a cancellation or reduction in the amount of tax owed by the taxpayer. Abatements may be granted after the tax roll has been printed for an "erroneous valuation for assessment, irregularity in levying, clerical error, or overvaluation," § 39-10-114(1)(a)(I)(A), C.R.S. Abatement petitions may be approved only if they are filed within two years after January 1 of the year following the year in which 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 2011, 2012, and 2013.

TABLE 10

PROTESTS AND APPEALS									
Category	Protests to the Assessor			(Per Employee)			Appealed to CBOE		
	2009	2011	2013	2009	2011	2013	2009	2011	2013
Adams	6,519	5,197	2,559	152	137	57	2,308	2,185	1,438
Arapahoe	9,594	7,300	4,767	145	116	79	4,283	3,290	2,193
Boulder	10,722	8,251	6,072	241	179	135	1,383	1,316	921
Broomfield	1,154	890	666	144	111	83	354	403	154
Denver	15,016	9,066	5,013	218	171	100	4,197	2,720	0
Douglas	9,182	6,423	5,161	200	149	120	4,268	159	2,902
El Paso	9,956	4,752	2,387	195	95	48	1,366	756	421
Jefferson	10,539	9,447	5,661	199	178	107	2,429	2,312	1,318
Larimer	13,533	11,433	8,876	271	249	206	3,276	1,517	771
Pueblo	925	588	528	30	20	19	14	12	24
Weld	5,165	5,371	3,259	161	168	99	866	1,655	735
Category 2									
Eagle	8,103	3,086	2,085	386	140	91	2,555	1,095	1,071
Fremont	1,369	620	301	124	56	30	108	58	55
Garfield	2,753	738	320	125	35	18	423	127	46
La Plata	1,132	890	494	60	52	29	63	34	23
Mesa	4,319	1,912	1,732	144	78	72	599	176	753
Pitkin	4,628	1,158	911	441	116	91	1,873	560	264
Summit	6,873	1,764	1,299	362	98	81	825	221	93
Category 3									
Alamosa	237	216	236	30	27	39	7	10	6
Archuleta	3,181	544	593	277	54	66	435	48	67
Chaffee	1,638	1,791	663	182	276	88	218	66	43
Clear Creek	747	326	338	149	65	68	51	17	16
Delta	1,106	380	247	88	40	22	98	13	30
Gilpin	352	198	193	50	36	39	25	36	20
Grand	2,065	910	821	188	101	91	246	427	337
Gunnison	2,251	1,582	537	225	144	49	279	491	101
Las Animas	840	605	1,191	76	71	149	9	15	15
Logan	201	214	103	22	24	10	10	10	13
Moffat	497	174	157	83	29	22	40	20	8
Montrose	733	672	344	64	67	34	197	136	81
Morgan	158	428	182	14	43	20	6	110	5
Otero	102	73	25	16	12	4	3	4	2
Park	2,244	2,010	979	204	183	89	375	218	146
Rio Blanco	302	263	105	43	38	18	110	15	0
Routt	2,706	904	724	271	82	56	465	124	117
San Miguel	1,127	1,064	536	125	118	67	288	259	50
Teller	1,257	955	1,602	79	68	123	235	203	183
Category 4									
Custer	284	153	56	57	31	11	1	2	0
Elbert	659	330	243	60	47	37	35	9	68
Huerfano	317	209	211	45	38	30	22	104	40
Kit Carson	102	206	59	26	69	20	3	3	4
Lake	387	317	79	77	79	13	35	18	6
Montezuma	1,225	322	260	144	36	29	43	48	20
Ouray	250	210	131	63	53	33	34	42	1
Prowers	50	50	350	10	10	70	0	2	0
Rio Grande	652	474	352	82	59	44	202	10	7
Washington	20	17	22	3	3	5	0	0	0
Yuma	949	128	237	173	128	43	0	0	1,764
Category 5									
Baca	4	8	24	1	2	6	0	0	0
Bent	116	147	82	26	37	21	2	85	4
Cheyenne	52	164	69	21	66	23	0	3	0
Conejos	256	429	143	57	78	36	26	6	2
Costilla	2,159	370	274	432	74	55	730	65	28
Crowley	12	20	13	12	20	13	3	2	1
Hinsdale	489	128	41	245	64	21	40	31	0
Lincoln	25	15	29	5	3	6	2	1	1
Phillips	60	16	13	20	5	4	0	0	1
Saguache	131	231	150	33	58	21	0	5	24
San Juan	43	81	38	29	54	25	3	13	10
Category 6									
Dolores	89	91	80	30	23	27	0	1	0
Jackson	6	2	0	3	1	0	0	0	0
Kiowa	3	0	0	2	0	0	0	0	0
Mineral	20	48	10	11	48	10	3	12	0
Sedgwick	15	10	15	5	3	5	0	3	

* The number of appeals to the CBOE for the City and County of Denver was zero, as the appeals and protests were combined into one process as a result of the Pilot Alternate Valuation Protest Procedure created by HB13-1113.

TABLE 11

PROTESTS AND APPEALS			
Assessors	2009	2011	2013
Total Parcels	2,511,308	2,448,771	2,340,391
Parcels/Schedules Protested	151,601	96,371	64,648
Protests as a Percent of Total Parcels	6.0%	3.9%	2.8%
Percent Change from Prior Reappraisal	17.3%	-36.4%	-32.9%
Dollars of Overtime Paid	\$221,428	\$39,437	\$36,184
Hours of Compensation Time Granted	7,396	3,155	1,581
County Boards of Equalization (CBOE)			
Parcels/Schedules Appealed to CBOE	35,471	21,283	16,403
Percent of CBOE Appeals to Protests	23.4%	22.1%	25.4%
Board of Assessment Appeals (BAA)			
BAA Dockets	3,931	2,904	2,169
Abatements	231	269	201
Appeals	3,700	2,635	2,635
Percent of BAA Appeals to CBOE Appeals	11.1%	13.6%	13.2%
Percent of BAA Appeals to Protests	2.6%	3.0%	3.4%
Percent of BAA Appeals to Total Parcels	0.2%	0.1%	0.1%
Parcels Protested Per Assessor's Employee			
Average Number Protested Per Employee	116	74	49
Maximum Number Protested Per Employee	441	276	206
Minimum Number Protested Per Employee	1	0	0
Parcels Protested Per Employee – Frequency Distribution			
0 – 50	24	26	40
51 – 100	12	21	18
101 – 200	16	15	5
201 – 300	8	2	1
301 – 400	2	0	0
401 – 500	2	0	0
Counties Reporting	64	64	64

Parcel count derived from county Abstracts of Assessment. Includes condominium units.
Overtime / compensatory time figures not available from all counties.

TABLE 12

ABATEMENTS, REFUNDS AND CANCELLATION OF TAXES									
County	2013	2013	2013	2012	2012	2012	2011	2011	2011
	Abatement Amounts	Abatement Counts	Average Abated	Abatement Amounts	Abatement Counts	Average Abated	Abatement Amounts	Abatement Counts	Average Abated
Adams	\$5,324,230	1,891	\$2,816	\$4,209,356	757	\$5,561	\$2,949,503	883	\$3,340
Alamosa	\$77,826	42	\$1,853	\$99,073	74	\$1,339	\$24,478	56	\$437
Arapahoe	\$28,153,291	2,508	\$11,225	\$12,166,846	2,616	\$4,651	\$18,813,670	1,838	\$10,236
Archuleta	\$123,332	62	\$1,989	\$211,066	93	\$2,270	\$444,395	385	\$1,154
Baca	\$17,946	183	\$98	\$15,104	13	\$1,162	\$4,242	22	\$193
Bent	\$5,473	6	\$912	\$2,059	10	\$206	\$99,667	28	\$3,560
Boulder	\$2,733,279	4,141	\$660	\$2,407,806	3,857	\$624	\$2,259,773	872	\$2,591
Broomfield	\$1,679,924	191	\$8,795	\$3,365,092	394	\$8,541	\$618,454	132	\$4,685
Chaffee	\$31,434	28	\$1,123	\$75,766	95	\$798	\$34,780	94	\$370
Cheyenne	\$3,445	12	\$287	\$343	11	\$31	\$3,998	17	\$235
Clear Creek	\$78,972	62	\$1,274	\$104,400	76	\$1,374	\$75,242	101	\$745
Conejos	\$18,580	94	\$198	\$22,050	75	\$294	\$10,660	39	\$273
Costilla	\$55,321	296	\$187	\$28,004	63	\$445	\$574,805	240	\$2,395
Crowley	\$3,858	14	\$276	\$36,759	15	\$2,451	\$469	7	\$67
Custer	\$12,419	11	\$1,129	\$4,359	16	\$272	\$5,696	7	\$814
Delta	\$55,597	47	\$1,183	\$49,085	49	\$1,002	\$104,498	67	\$1,560
Denver	\$17,130,799	2,763	\$6,200	\$24,194,878	3,593	\$6,734	\$22,435,164	3,666	\$6,120
Dolores	\$8,587	15	\$572	\$10,974	20	\$549	\$10,697	17	\$629
Douglas	\$8,652,911	1,638	\$5,283	\$8,130,973	2,373	\$3,426	\$4,985,181	1,072	\$4,650
Eagle	\$583,037	201	\$2,901	\$2,118,096	680	\$3,115	\$2,463,335	926	\$2,660
Elbert	\$103,253	74	\$1,395	\$127,737	209	\$611	\$76,194	124	\$614
El Paso	\$2,666,802	2,009	\$1,327	\$3,874,923	1,153	\$3,361	\$3,636,781	2,363	\$1,539
Fremont	\$60,077	37	\$1,624	\$183,191	53	\$3,456	\$1,879,754	201	\$9,352
Garfield	\$288,548	92	\$3,136	\$6,746,881	593	\$11,378	\$478,279	255	\$1,876
Gilpin	\$296,062	49	\$6,042	\$40,200	29	\$1,386	\$7,290	37	\$197
Grand	\$119,870	122	\$983	\$102,470	238	\$431	\$113,739	228	\$499
Gunnison	\$257,418	351	\$733	\$86,883	41	\$2,119	\$24,817	26	\$954
Hinsdale	\$2,711	14	\$194	\$8,553	10	\$855	\$2,749	9	\$305
Huerfano	\$24,382	90	\$271	\$455,217	265	\$1,718	\$109,185	133	\$821
Jackson	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0
Jefferson	\$6,044,804	1,791	\$3,375	\$7,590,054	1,935	\$3,923	\$7,661,788	2,132	\$3,594
Kiowa	\$804	3	\$268	\$2,280	4	\$570	\$830	9	\$92
Kit Carson	\$18,720	19	\$985	\$264,054	18	\$14,670	\$264,054	18	\$14,670
Lake	\$35,219	55	\$640	\$3,959	5	\$792	\$15,446	48	\$322
La Plata	\$143,540	153	\$938	\$225,543	142	\$1,588	\$298,884	270	\$1,107
Larimer	\$1,774,289	1,738	\$1,021	\$3,144,081	1,204	\$2,611	\$2,532,491	1,803	\$1,405
Las Animas	\$189,819	74	\$2,565	\$1,890	11	\$172	\$19,106	46	\$415
Lincoln	\$7,444	57	\$131	\$11,865	40	\$297	\$3,704	20	\$185
Logan	\$51,623	66	\$782	\$28,974	39	\$743	\$39,137	44	\$889
Mesa	\$999,060	300	\$3,330	\$1,356,031	678	\$2,000	\$976,366	832	\$1,174
Mineral	\$0	0	\$0	\$600	1	\$600	\$669	2	\$334
Moffat	\$1,059,505	205	\$5,168	\$486,871	52	\$9,363	\$84,372	145	\$582
Montezuma	\$86,559	149	\$581	\$96,819	178	\$544	\$118,686	174	\$682
Montrose	\$156,131	55	\$2,839	\$150,505	131	\$1,149	\$255,542	221	\$1,156
Morgan	\$116,968	59	\$1,983	\$53,375	19	\$2,809	\$247,767	21	\$11,798
Otero	\$25,343	24	\$1,056	\$139,690	35	\$3,991	\$4,442	8	\$555
Ouray	\$36,833	30	\$1,228	\$139,089	44	\$3,161	\$35,640	26	\$1,371
Park	\$77,986	213	\$366	\$171,289	885	\$194	\$19,871	53	\$375
Phillips	\$2,598	9	\$289	\$6,786	6	\$1,131	\$464	3	\$155
Pitkin	\$954,723	293	\$3,258	\$1,234,297	172	\$7,176	\$1,145,268	272	\$4,211
Prowers	\$22,000	281	\$78	\$11,029	374	\$29	\$213,437	39	\$5,473
Pueblo	\$390,734	301	\$1,298	\$1,462,988	395	\$3,704	\$612,953	197	\$3,111
Rio Blanco	\$1,151,535	28	\$41,126	\$1,527,671	95	\$16,081	\$477,150	48	\$9,941
Rio Grande	\$9,145	67	\$136	\$83,910	49	\$1,712	\$13,355	40	\$334
Routt	\$636,799	107	\$5,951	\$178,197	103	\$1,730	\$1,701,879	397	\$4,287
Saguache	\$49,278	83	\$594	\$67,512	60	\$1,125	\$11,378	37	\$308
San Juan	\$22,938	18	\$1,274	\$4,215	60	\$70	\$1,811	2	\$905
San Miguel	\$76,440	56	\$1,365	\$227,874	118	\$1,931	\$391,365	113	\$3,463
Sedgwick	\$3,880	7	\$554	\$23,931	13	\$1,841	\$8,286	8	\$1,036
Summit	\$179,677	384	\$468	\$673,453	387	\$1,740	\$436,708	354	\$1,234
Teller	\$280,719	56	\$5,013	\$325,471	66	\$4,931	\$87,249	59	\$1,479
Washington	\$1,861	38	\$49	\$17,825	5	\$3,565	\$658	9	\$73
Weld	\$289,785	189	\$1,533	\$2,626,414	851	\$3,086	\$3,499,870	872	\$4,014
Yuma	\$43,306	160	\$271	\$668,942	4,144	\$161	\$62,515	98	\$638
Totals:	\$83,509,452	\$24,111	\$3,464	\$91,885,631	29,790	\$3,084	\$83,490,635	22,265	\$3,750

Information reported by treasurers for 2013, 2012, and 2011

SENIOR CITIZEN AND DISABLED VETERAN EXEMPTION

In 2000, voters enacted section 3.5, article X of the Colorado Constitution, creating a property tax exemption for qualifying senior citizens and their surviving spouses. Voters expanded the program in 2006 to include qualifying disabled veterans. For both groups, the exemptions as enacted reduce the taxable actual value of a residential property by 50 percent, up to a maximum reduction of \$100,000. The reduction in property tax revenue is backfilled by the State of Colorado.

The Colorado Constitution grants the Colorado General Assembly the authority to increase or decrease the amount of the senior and disabled veteran exemptions. For tax years 2003, 2004, 2005, 2009, 2010, and 2011, the General Assembly enacted legislation to reduce the amount of the senior exemption to 50 percent of \$0, effectively suspending the senior exemption benefit. The disabled veteran exemptions benefit was not suspended for property tax years 2009, 2010 or 2011.

To qualify for the senior exemption, a senior must be at least 65 years old on January 1 and must have owned and occupied the property for at least 10 consecutive years as his or her primary residence. To qualify for the disabled veteran exemption, a veteran must have sustained a service connected disability that has been rated by the U.S. Department of Veterans Affairs as 100 percent "permanent and total"; and must have owned and occupied the property since January 1 of the year the application is filed.

Applications for the senior citizen exemption are filed with the county assessor no later than July 15, and applications for the disabled veteran exemption are filed with the Colorado Division of Veterans Affairs, Department of Military and Veterans Affairs (DMVA), no later than July 1. If approved by the DMVA, the veteran's application is forwarded to the county assessor for further processing and approval. Once approved, the senior citizen or disabled veteran exemption remains in effect from year to year until a change in ownership or occupancy triggers its removal. Each year, the treasurer and the assessor are required to mail a notice to all residential property owners explaining the exemption programs.

No later than October 10, the assessor is required to send the Division of Property Taxation an electronic list of the exemptions granted, including the names and social security numbers of each person occupying the property. The Division uses the data to identify individuals who were granted an exemption on more than one property in the state, and denies the exemptions on each property. In 2013, the Division denied exemptions on 31 properties owned by 18 applicants. In 2013, 197,468 properties were approved for the senior citizen exemption, and 3,829 received the disabled veteran exemption.

The senior and disabled veteran exemption programs do not result in a loss of revenue to local governments. Instead, the state reimburses the local governments for the tax revenue exempted. No later than April 1, county treasurers send the State Treasurer an itemized list of the exemptions granted and taxes exempted. No later than April 15, the State Treasurer reimburses the local governments for the lost revenue. In April 2014, the State Treasurer reimbursed local governments \$107,697,211 for senior citizen property tax exemptions granted for tax year 2013 and \$2,083,129 for disabled veteran exemptions granted for tax year 2013.

POSSESSORY INTERESTS

In 2001, the Colorado Supreme Court ruled that certain possessory interests are subject to ad valorem taxation in Colorado. A possessory interest is defined as a private property interest in government-owned property or the right to the occupancy and use of any benefit in government-owned property that has been granted under lease, permit, license, concession, contract or other agreement. The use of the property must be in connection with a business conducted for profit.

Taxable possessory interests may include but are not limited to:

1. Private concessionaires utilizing government owned land, improvements, or personal property unless operating pursuant to a management contract.
2. Government land and improvements used in the operation of a farm or ranch.

3. Government land, improvements, and/or personal property used in the operation of ski or recreational areas.
4. Land underlying privately owned cabins or other residential property located on government land that is rented commercially.
5. Recreational use of lakes, reservoirs, and rivers in a revenue-generating capacity.
6. Land, improvements, and personal property at a tax-exempt airport.
7. Other government property leased to private parties. However, the property may be otherwise exempt pursuant to Colorado Revised Statutes.

2013 PROPERTY TAX LEGISLATION

Senate Bills

SB 13-119

Concerning clarification of the requirement for a certificate of taxes due in connection with title Insurance.

The bill added section (3)(b) to § 10-11-122, C.R.S., allowing the commissioner of insurance to promulgate rules to identify alternative documentation that may be relied upon during the time in which the treasurer is unable to provide a certificate of taxes because the county treasurer is certifying the tax roll.

Signed by Governor Hickenlooper: May 11, 2013

Effective Date: October 1, 2013

SB 13-146

Concerning procedures governing the Board of Assessment Appeals in the Department of Local Affairs, and, in connection therewith, making and reducing an appropriation.

Section 1 of the bill amended § 39-2-123(2), C.R.S., regarding appointments to the Board. The Board must now consist of one member appointed for two-year term and two members appointed to a four-year term. Thereafter, appointments to the Board shall be for terms of four years each. A maximum of six additional members may also be appointed by the Governor with the consent of the Senate in order to allow the timely hearing of appeals. These additional members are to be appointed to a one-year term based on the fiscal year.

The provision allowing the vacation of the appointment in the event that “any member fails to become registered, licensed, or certificated by said date” has been removed.

Section 2 of the bill created the Board of Assessment Appeals Cash Fund and made a provision to allow the filing fees collected by the Board and transmitted to the State Treasurer to be credited to same, § 39-2-125(h), C.R.S.

It also amended the duties of the board. Section 39-2-125(1)(c), C.R.S., removed the statutory timeframe for decisions to be rendered.

Section 3 of the bill added (6) to § 39-2-127, C.R.S., regarding the meetings, proceedings and representation before the board. The board must issue a written decision for each appeal it hears. Although the bill allows the Board to issue either a full or summary decision, the summary decision may only be issued upon request made by both parties before the board. Unlike a summary decision, a full decision must contain specific findings of fact and conclusions of law.

If a summary decision is requested and rendered and the party is dissatisfied with the decision, they may file a written request with the board for a full decision. The written request must be received by the board within 10-working days after the date the summary decision is mailed. It is important to note that the timely filing of the written request with the board is a prerequisite to review the board’s decision by the Court of Appeals. If the taxpayer makes a timely written request for a full decision, the board shall issue a full decision and enter it as the final decision in the appeal subject to judicial review by the Court of Appeals as provided in §§ 39-8-108(2) or 39-10-114.5(2), C.R.S.

Section 4 of the bill allows the board to issue orders, as it deems necessary to ascertain facts and to carry out its decisions, and any such order directed to a county assessor or a county board of equalization to be enforceable in the District Court of the county, § 39-2-128, C.R.S.

Signed by Governor Hickenlooper: June 5, 2013

Effective Date: July 1, 2013

SB 13-155

Concerning the continuation of the Board of Real Estate Appraisers, and, in connection therewith, implementing the recommendations of the 2012 Sunset Report by the Department of Regulatory Agencies.

Section 1 amended § 24-34-104, C.R.S., and sets the termination date for the board of real estate appraisers to September 1, 2022.

Section 2 of the bill added language to the legislative declaration stating that Licensed Ad Valorem Appraisers licensed with this article are not regulated by the Federal "Real Estate Appraisal Reform Amendments" Title XI of the Federal "Financial Institutions Reform, Recovery and Enforcement Act of 1989".

Section 4 requires the Board to adopt rules regarding the minimum qualifications and standards for Licensed Ad Valorem Appraisers.

Section 5 amended § 12-61-706, C.R.S. It established the Licensed Ad Valorem Appraiser as one of the four levels of appraiser licensure. It eliminated the Registered Appraiser. It stated that an assessor or an employee of an assessor's office who is a Licensed Ad Valorem Appraiser may not perform real estate appraisals outside of their official duties. Registered appraisers as of July 1, 2013, who worked in an assessor's office or for the Division of Property of Taxation were automatically transferred to the category of Licensed Ad Valorem Appraiser. These appraisers are allowed until December 31, 2015 to meet any additional requirements set by the Board for this license. The Board shall prescribe by rule continuing education requirements for the Licensed Ad Valorem Appraiser. An applicant for a Licensed Ad Valorem Appraiser is not subject to fingerprinting and criminal background check requirements.

Section 6 amended § 12-61-707, C.R.S., all references to the three-year renewal fee were removed. (This allows the director the flexibility to establish a two-year renewal period that would conform to the USPAP Update cycle.) The Federal Registry Fee does not apply to Licensed Ad Valorem Appraisers.

Signed by Governor Hickenlooper: June 5, 2013
Effective Date: July 1, 2013

SB 13-212

Concerning increased options for financing available through the Colorado New Energy Improvement District for the completion of new energy improvements, and, in connection therewith, allowing commercial buildings to access district financing, requiring consent for subordination of mortgage liens, and facilitating private third party financing.

Section 1 states the short title is the "New Energy Jobs Act of 2013".

Section 2 both added and amended several definitions in § 32-20-103, C.R.S. Specifically, the bill added the definition of "Commercial Building" as any real property other than a residential building containing fewer than five dwelling units and includes any other improvement or connected land that is billed with the improvement for purposes of ad valorem property taxation. Commercial buildings are included eligible real property.

Section 2 of the bill also redefines "energy efficiency improvement", deleting the provision that an energy efficient improvement cannot be required by a building code as part of new construction or major renovation. It also deleted the qualification of illumination for lighting fixtures and replaced it with a provision adding electric vehicle charging equipment as an energy efficiency improvement. This section of the bill also preserves eligibility of any utility cost savings activity if approved by the district, § 32-20-103(5), C.R.S.

Additionally, Section 2 amended § 32-20-103(7), C.R.S., to be consistent with the addition of commercial buildings. It repealed the requirement of an equity ownership position or lienholder consent in order to be a qualified applicant, § 32-20-103(10)(a), C.R.S. Further, § 32-20-103(11) and (12), C.R.S., deleted the criteria establishing a maximum reimbursement and added fuel cell as a renewable energy improvement, respectively. Lastly, the amendment to § 32-20-103(14), C.R.S., added that a special assessment cannot exceed the full cost of completing a new energy improvement.

Section 3 amended § 32-20-104, C.R.S., reducing the number of directors on the district's board from 9 to 7, directs the Governor to appoint 6 members to the board

by September 1, 2013, removed the legislative appointees from the board, reduced the quorum from 6 to 4 members, and modifies the board members' qualifications. Two members must each have at least ten years of executive-level experience with one or more financial institutions.

Section 4 amended § 32-20-105, C.R.S., by adding subsection (h), directing the district to develop guidelines governing the terms and conditions under which third party financing is available to qualified applicants. Subsection (i) added that participating counties, municipalities, and property owners develop the processes to ensure that mortgage holder consent is obtained to subordinate the priority of a mortgage lien to the priority of a new energy improvement special assessment, established per § 32-20-107, C.R.S.

Section 5 of the bill amended § 32-20-106, C.R.S., by repealing subsection (a) when the market value of subject property increases as a result of adding a new energy improvement, and subsection (c) when a reduction in energy related utility bills is caused by the addition of a real energy improvement. Now there is only one measure for determining a special assessment, the cost incurred to create the new energy improvement.

Section 6 of the bill amended § 32-20-107(1)(a), C.R.S., concerning the enforcement of special assessments. With the addition of subparagraph (II), a district special assessment lien has priority over pre-existing liens only if the lienholder consents and such consent is recorded. Before such consent is recorded the applicant must submit to the district a written consent to the special assessment shown on a commitment of title insurance evidence that there are no delinquent taxes or other judgments that have not been cured. Of particular note to assessors, § 32-20-107(2), C.R.S., added language stating that the county assessor shall not take into account any increase in the market value of the eligible real property resulting from the completion of a new energy improvement.

Section 7 added language to § 32-20-108, C.R.S., that prevents bonds from being issued on special assessment properties that received new energy improvement financing from third party sources.

Finally, Section 8 of the bill repealed the provision that this act sunsets on January 1, 2016.

Signed by Governor Hickenlooper: May 28, 2013
Effective Date: Upon signature

SB 13-252

Concerning measures to increase Colorado's renewable energy standard so as to encourage the deployment of methane capture technologies.

This bill amended § 40-2-124, C.R.S. The bill expands eligible renewable energy resources to include coal mine methane and gas produced from municipal solid waste. It requires rural co-ops with more than 100,000 meters and utilities that generate and supply electricity on behalf of member co-ops (Tri State and IREA) to get at least 20 percent of their electricity from renewable energy sources by 2020, up from the previous requirement of 10 percent. The maximum that a customer's annual electric bill can be increased because of this requirement is two percent. If this two percent limit cannot be achieved then the renewable obligation is reduced.

Signed by Governor Hickenlooper: June 5, 2013
Effective Date: July 1, 2013

House Bills

HB 13-1008

Concerning the extension of the veterans' preference in state hiring to the spouse of a veteran if the veteran is unable to work due to a military service-connected disability.

Section 1 of the bill added subsection (7) to § 24-50-112.5, C.R.S., which provides hiring preferences to a spouse of a disabled veteran who is unable to work. The spouse must provide a letter of proof of such disability, and that the veteran is unable to work due to his or her disability as determined by the United States Department of Veterans Affairs.

Signed by Governor Hickenlooper: March 8, 2013
Effective Date: Upon signature

HB 13-1010

Concerning the elimination of restrictions for the procurement of stationery supplies by Boards of County Commissioners.

The bill amended § 30-11-109, C.R.S., by striking the language that requires counties to advertise for bids for “stationery proposals” to provide the county with books, stationery, records, printing, lithographing, and other supplies as needed by the county offices.

Signed by Governor Hickenlooper: March 8, 2013
Effective Date: August 7, 2013

HB 13-1029

Concerning the use of authority verbs in the Colorado Revised Statutes.

This bill modified Article 4 of Title 2, C.R.S., the “definitions” section of the Colorado Revised Statutes related to the construction of those statutes.

Section 1 of the bill is the legislative declaration, wherein the legislature states that drafting statutes in the active voice and present tense is preferred in order to clarify legislative intent. In addition, the bill declares that the terms “must” and “shall” should be used to mean different things in order to clarify the general assembly’s use of these authority verbs.

To do that, Section 2 of the bill added the definitions of each word to an existing list of definitions in the Article. “Must” is defined to mean that a person or thing is required to meet a condition for a consequence to apply.

“Shall” is defined to mean that a person has a duty. These definitions apply only to statutes enacted on or after the bill’s effective date.

Signed by Governor Hickenlooper: February 27, 2013
Effective Date: August 7, 2013

HB 13-1036

Concerning the authority of a local improvement district.

Section 1 amended § 30-20-602, C.R.S., changing the definition of “District” by adding that in a district in which sales tax is levied, a noncontiguous part or section may only be included if the owners of any property in such part or section petitioned to be included in the district.

Section 2 amended § 30-20-603, C.R.S., authorizing funding from sales tax to be spent for the organization, promotion, marketing, and management of public events. Section 2 also added subparagraph (2.5) which provides limitations, due process, and notice requirements for changing boundaries of a district.

Signed by Governor Hickenlooper: May 10, 2013
Effective Date: August 7, 2013

HB 13-1041

Concerning procedures governing the transmission of public records that are copied in response to a request for inspection of such records under the “Colorado Open Records Act.”

The bill added a section to § 24-72-205, C.R.S., allowing the assessor to transmit records via U. S. mail, other delivery service, facsimile, or electronic mail. The assessor may not charge a transmission fee for public records sent via e-mail. The statute also requires the assessor to notify the requester that a copy of the record is available, but will only be sent once the payment for the copy has been made or arrangements for payment have been made. The record shall be sent no more than three business days after receipt of payment or receipt of payment arrangements.

Signed by Governor Hickenlooper: March 8, 2013
Effective Date: Upon signature

HB 13-1046

Concerning employer access to personal information through electronic communication devices, and, in connection therewith, making an appropriation.

Section 1 of the bill defines “applicant,” “electronic communications device,” and “employer” in § 8-2-127, C.R.S.

The bill prohibits employers from suggesting, requesting, or requiring an applicant or employee to disclose any user name or password or other means of accessing employee’s or applicant’s personal communication devices. Employers are also prohibited from requiring an applicant or employee to add the employer to the employee’s or applicant’s list of contacts or cause an employee or applicant to change

privacy settings on social networking accounts. Employers are not prevented, however, from ensuring employee compliance with applicable securities or financial law or regulatory requirements, or compliance with existing personnel rules that do not conflict with this statute.

Signed by Governor Hickenlooper: May 11, 2013
Effective Date: Upon signature

HB 13-1052

Concerning the threshold amount for representation of closely held entities by nonattorneys.

The bill amended § 13-1-127, C.R.S., to allow an officer of a closely held corporation to represent the entity at any court of record or administrative agency if the matter before the court does not exceed fifteen thousand dollars. The previous limit was ten thousand dollars.

Signed by Governor Hickenlooper: March 15, 2013
Effective Date: August 7, 2013

HB 13-1113

Concerning the creation of a pilot alternate property tax valuation protest and appeal procedure for the City and County of Denver.

The bill amended §§ 39-5-121 and 39-5-122, C.R.S., and created new language in § 39-5-122.8, C.R.S., to create an alternate protest and appeals process that applies only to the City and County of Denver. The notices of valuation for real property must be mailed by May 1, and the taxpayer has until November 15 to file a written protest with the Board of County Commissioners. Notices of valuation for personal property are mailed by July 15 and the taxpayer has until November 15 to file a written objection. Protest hearings for real and personal property are conducted by the Board of County Commissioners. The board may appoint independent hearing officers. With authorization from the board, the assessor may settle with the taxpayer by written mutual agreement. The board must act upon each written objection within six months of the date of filing. The taxpayer has the same rights of appeal to the BAA, District Court, or binding arbitration within 30 days of the date of the BOCC decision. Additionally, overvaluation abatements are prohibited in cases where a BOCC decision has been rendered.

Signed by Governor Hickenlooper: March 8, 2013
Effective Date: Upon signature

HB 13-1145

Concerning the administration of the property tax exemption for qualifying seniors.

Section 1 of the bill states that when the county assessor sends a notice of valuation that is not included with the tax bill, the assessor must provide notice of the senior exemption. The bill also added that each year after January 1, 2014, the county treasurer must send notice of the senior exemption to each residential real property owner in the county either by mail or e-mail.

Section 2 of the bill changes the language from "the assessor may accept a late application when a senior applicant shows good cause for missing the July 15 deadline" to new language that states "the assessor must accept late senior applications through September 15."

Signed by Governor Hickenlooper: April 4, 2013
Effective Date: Upon signature

HB 13-1206

Concerning the expansion of local government's ability to enter into a business incentive agreement with a taxpayer.

Sections 1, 2, and 3 of the bill amended §§ 30-11-123, 31-15-903, and 32-1-1702, C.R.S., to allow counties, municipalities, and special districts to negotiate an incentive payment or credit for a taxpayer that has an existing business facility located in their taxing jurisdiction, based on verifiable documentation of substantial risk that the taxpayer will relocate the facility out of the state. Taxing entities shall not give an annual incentive payment or credit that is greater than the amount of taxes levied by the taxing entities upon the taxpayer's taxable personal property.

Signed by Governor Hickenlooper: June 5, 2013
Effective Date: August 7, 2013

HB 13-1245

Concerning funding mechanisms for the Colorado Health Benefit Exchange.

This bill modified Article 22 of Title 10, C.R.S., which is the 2011 statute that created Colorado's state-level health benefit exchange as allowed by the Federal Patient Protection and Affordable Care Act.

Section 1 of the bill added several definitions.

Section 2 added a provision allowing establishment of a program to offer ancillary products, and a provision that the Exchange may enter into an agreement with the Department of Personnel and Administration to allow administrative law judges to hear and decide matters arising from determinations made by the Exchange.

Section 3 is related to how often the exchange implementation committee meets.

Sections 4, 5 and 6 added or changed provisions related funding sources for the exchange and tax credits for insurance companies.

Section 5 of the bill also added § 10-22-111, C.R.S., that states "the exchange is exempt from any tax levied by this state or any of its political subdivisions."

Signed by Governor Hickenlooper: May 23, 2013
Effective Date: Upon signature

HB 13-1246

Concerning modifications in connection with current property tax exemptions for nonprofit organizations.

Section 1 of the bill amended § 39-3-113.5, C.R.S., to allow exemptions for property which is sold to low-income applicants for the purpose of constructing or rehabilitating housing for the low-income applicants. Where the original version of § 39-3-113.5, C.R.S., allowed for exemption when housing was first constructed or rehabilitated and then sold to low-income applicants this now allows for the sale first and the construction later.

An addition was made to subsection (2) of § 39-3-113.5, C.R.S., providing the exemption for property sold to low income applicants for future building will be effective until a certificate of occupancy is issued but for no longer than one year after the property has been sold.

Also included in Section 1 of the bill is a change to the definition of 'low-income applicant,' changing the allowable income level from sixty percent of the area median income to eighty percent thereof.

Section 2 made changes to the State Board of Equalization's authority over exemptions matters as found in § 39-9-109, C.R.S. An amendment to subsection (5) allows the Board to set a deadline for filing the late annual reports for which the Board waived the late filing deadline. If the report is not filed by the deadline established by the Board the waiver becomes invalid. The deadline must be no sooner than thirty days from the authorization of the waiver.

A new subsection (6) was added which gives the State Board the power to authorize the Property Tax Administrator to extend an exemption beyond the time frame set out in § 39-2-117, C.R.S., in cases where property was put on the tax roll as omitted due to an error or omission on the part of a governmental entity.

Signed by Governor Hickenlooper: May 11, 2013
Effective Date: August 7, 2013

HB 13-1300

Concerning nonsubstantive revisions of statutes in the Colorado Revised Statutes, as amended, and, in connection therewith, amending or repealing obsolete, inconsistent, and conflicting provisions of law and clarifying the language to reflect the legislative intent of the laws, (Revisor's Bill).

House Bill 11-1241 created a new property tax exemption for property used by a nonprofit housing provider for low-income housing. This is an exemption handled by the Property Tax Administrator. The exemption was added as a new section, § 39-3-113.5, C.R.S., however the conforming amendments reflecting the added exemption were not included in the bill. There were multiple references to the exemptions handled by the Property Tax Administrator as those found in §§ 39-3-106 to 39-3-113, C.R.S., (or in a few instances §§ 39-3-107 to 39-3-113, C.R.S.). This bill changes all the references to §§ 39-3-106 (or 107) to 39-3-113.5, C.R.S., to include the exemption established in the 2011 bill.

This bill also eliminated contradictory language because of the passage of HB 11-1146. HB 11-1146 did not remove the "ag land" portion in the definition of residential land in § 39-1-102 (14.4)(a), C.R.S. This bill removed the language "the term also does not include land underlying a residential improvement on agricultural land." Agricultural land does not include 2 acres or less of land if the residence is not integral to the agricultural operation. If a residence is determined to be non-integral, then 2 acres or less are classified as residential land.

Signed by Governor Hickenlooper: May 28, 2013
Effective Date: August 7, 2013

HB 13-1302

Concerning a modification of the requirements governing proceedings to consolidate special districts.

Section 1 amended § 32-1-607(6), C.R.S., adding a provision clarifying procedures in the case of special districts providing services to a municipality wishing to consolidate. If the services being provided by the two special districts are the same (i.e. fire protection) the consolidation need not meet the requirements of part two of the statute. However, if the combined district will provide different or new services, a new district must be formed under part two.

Signed by Governor Hickenlooper: May 28, 2013
Effective Date: August 7, 2013

HB 13-1307

Concerning the effect of the inclusion of a legal description on the validity of documents affecting title to real property.

Section 1 of the bill adds subsections (3.5), (4), and (5) which provide language for recorded documents that have interest in real property, that do not include a legal description, may or may not determine whether the totality of the circumstances are considered valid or invalid.

Signed by Governor Hickenlooper: May 28, 2013
Effective Date: August 7, 2013

HB 13-1319

Concerning the establishment of the ratio of valuation for assessment for residential real property.

Section 1 of this bill amended § 39-1-104.2(3), C.R.S., to include subparagraph (n) that states:

"Based on the determination by the Administrator that the target percentage is 45.86 percent, the ratio of valuation for assessment for residential real property is 7.96 percent of actual value for the property tax years commencing on or after January 1, 2013, but before January 1, 2015."

Signed by Governor Hickenlooper: May 28, 2013
Effective Date: Upon signature