Section II

Administration

COLORADO PROPERTY TAX

OVERVIEW

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

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

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

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

TABLE 1

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

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

STATE BOARD OF EQUALIZATION

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

Duties and Responsibilities

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

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

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, 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 under-assessed, 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, 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.

2009 Enforcement and Repayment

On October 27, 2009, the state board met to review the findings and conclusions of Wildrose Appraisal, Incorporated, 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.

The board also reviewed the status of their 2005 recommendation for Jackson County. The 2005 recommendation asked Jackson County to 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.

2008 Enforcement and Repayment

On October 8, 2008, the state board met to review the findings and conclusions of Rocky Mountain Valuation Specialists, Inc., annual study contractor for Legislative Council. Based on these findings, the state board issued no orders of reappraisal.

They also reviewed the status of their 2005 recommendation for Jackson County. The 2005 recommendation asked Jackson County to implement a five-year cycle for physical inspections of rural outbuildings. The Jackson County Assessor indicated that she only had four physical inspections left to complete the project.

2007 Enforcement and Repayment

On October 10, 2007, the state board met to review the findings and conclusions of Rocky Mountain Valuation Specialists, Inc., annual study contractor for Legislative Council. Based on these findings, the state board issued no orders of reappraisal. They did, however, review the status of a prior reappraisal order given to Costilla County.

On October 11, 2006, the state board determined that the 2005 ordered reappraisal of single-family residential property was successfully completed by Costilla County, and ordered the county to payback the state aid to schools as well as the supervision reimbursement costs by the end of 2007. At the October 2007 state board hearing, the Costilla County Deputy Assessor provided the state board with a document detailing the County's 2007 expenditures. Although the entire $17,964.97 had not yet been spent, the remaining portion was slated to be used for education of assessor personnel and a list of proposed courses was submitted.

The board reviewed the progress of their 2005 recommendations for both Rio Grande and Jackson Counties. The state board's 2005 recommendation asked Rio Grande County to determine the productive capability of agricultural land by implementing the National Resource Conservation Service (NRCS) soil survey by 2007 for 2008. At the 2007 hearing, it was reported the county completed the soil survey. This was verified by Carl Ross of Rocky Mountain Valuation Specialists, Inc.

The state board also reviewed Jackson County's progress toward implementing a five-year cycle for physical inspections of rural

outbuildings. The Jackson County Assessor indicated that as of October 10, 2007, 45 percent of the inspections had been completed.

2006 Enforcement and Repayment

On October 11, 2006, the state board met to review the findings and conclusions of Rocky Mountain Valuation Specialists, Inc., annual study contractor for Legislative Council. Based on these findings, the board issued no orders of reappraisal. They did, however, review the results of the reappraisal order given to Costilla County in 2005 for all single-family residential properties in the county. The board determined that the reappraisal was successfully completed, and ordered the county to make the following payback and reimbursement.

County	Supervision Reimbursement	State Aid To Schools Payback
Costilla	$17,964.97	$968.09*

* + interest on state aid payback based on the rate set by the Colorado Banking Commissioner, which can be reduced by three percent under the authority of the state board.

The board approved Costilla County's request to repay the excess state equalization payments to schools by the end of 2007. In addition, the state board approved a reduction of three percentage points, resulting in an interest rate of six percent.

The board also approved the county's request to employ the "Bledsoe Plan" for the repayment of the supervision costs allowing the county to choose an alternative method of repaying the costs associated with the state's supervision of the reappraisal. The Bledsoe Plan authorizes counties to increase the assessor's budget by the supervision reimbursement money for expenditures that will enhance their operational effectiveness.

2005 Enforcement and Repayment

On October 11, 2005, the state board met to review the findings and conclusions of Rocky Mountain Valuation Specialists, Inc., annual study contractor for Legislative Council. Based on the findings, the state board issued a reappraisal order for the single-family residential property subclass in Costilla County. The board recommended that Rio Grande County comply with a procedural requirement to use a soil survey conducted by the United States Natural Resource Conservation Service (NRCS) when classifying and valuing agricultural land, and it recommended that Jackson County submit a plan for detailing the methodologies and time frames the county will use to physically inspect agricultural outbuildings.

The board also reviewed the results of a reappraisal order issued to Fremont County in 2004. Pursuant to the reappraisal, it ordered the repayment of excess state aid to schools and ordered the repayment of the cost of supervising the reappraisal.

The county commissioners requested the state board allow them to apply the supervision reimbursement money to the assessor's budget for 2006. The alternate repayment method, referred to as the "Bledsoe Plan" authorizes counties to increase the assessor's budget by the supervision reimbursement money for expenditures that will enhance their operational effectiveness. The county requested the funds be used to purchase a variety of computers, various types of software and maps. The board approved the county's request to employ the "Bledsoe Plan" for the repayment of the supervision costs.

The board approved Fremont County's request to repay the excess state equalization payments to schools by the end of 2006. The state board approved a reduction of three percentage points, resulting in an interest rate of four percent.

County	Supervision Reimbursement	State Aid To Schools Payback
Fremont	$54,751	$131,263

+ interest on state aid payback based on the rate set by the Colorado Banking Commissioner, which can be reduced by three percent under the authority of the state board.

DIVISION OF PROPERTY TAXATION

Under the general laws of Colorado, the Property Tax Administrator (Administrator) heads 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 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.

2009 VALUE INFORMATION

For 2009, Colorado assessed values increased by $10.2 billion, or 11.7 percent from the prior year. The increase resulted primarily from the general reappraisal of property to the 2008 level of value and dramatic increases to the values of oil and gas property. **Table 2** displays the percentage changes by property class.

TABLE 2

VALUE CHANGES BY CLASS

Class	2008-2009 Change	Class as % of Total
Vacant Land	9.5%	6.3%
Residential	4.7%	43.3%
Commercial	11.3%	28.0%
Industrial	11.8%	3.3%
Agricultural	4.5%	0.9%
Natural Resources	14.3%	0.4%
Producing Mines	32.3%	0.5%
Oil and Gas	54.5%	12.1%
State Assessed	5.8%	5.1%
Net Total	**11.7%**	**100.0%**

Residential, Commercial/Industrial, Vacant

For real property classified as residential, commercial, industrial, and vacant land, the increases in value reflect market value changes that occurred between June 30, 2006 and June 30, 2008. Statewide, the total value of these classes continued to increase even though values in much of the United States were dropping substantially.

Although certain areas along the Front Range experienced a significant decrease in residential value, especially portions of Adams, Arapahoe, and Weld Counties, the region as a whole faired much better than the national average. According to the S&P/Case-Shiller Home Price Indices, home prices in metropolitan Denver declined by 5.6 percent from July 2006 to June 2008, compared to a decline of 18.7 percent for a composite of 20 metropolitan regions across the U.S.

At the same time, residential values in most of the mountain and western slope counties continued to increase significantly. This was particularly true for resort counties such as Eagle (+16.1%), Pitkin (+34.1%), Routt (+30.1), and Summit (+26.4%), and it was true for counties impacted by the boom in natural gas development such as Garfield (+30.1%), Mesa (+21.1%), and Rio Blanco (+39.6%). By June 30, 2008, residential property values in many of the western counties had begun to decline, but the declines were overwhelmed by the sharp increases that had occurred throughout most of the two-year period.

The percentage change to the assessed values of the residential, commercial, and industrial classes reflects new construction. For example, although the total value of residential property in the City and County of Broomfield increased by 0.2 percent, new construction represented 3.5 percent of Broomfield's 2009 residential total. If new construction is removed, the residential property class value in Broomfield decreased by 3.3 percent.

As with residential property, the commercial/industrial real estate market remained stronger in Colorado during the two-year period than it did nationwide. According to the Moodys/REAL Commercial Property Price Index (CPPI), the value of U.S. commercial and industrial property increased by 12.7 percent through August 2007 but declined sharply thereafter to post a 0.6 percent reduction over the two-year period. This significant reversal in the national market is not evident in most Colorado counties as reflected by sales that closed on or before June 30, 2008.

The total values of the commercial and industrial classes are also stabilized somewhat by the presence of personal property. Business personal property accounts for 13.6 percent of the total value of the commercial class and 47.7 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.

The total value of the vacant land class tends to be heavily influenced by the residential, and to a lesser extent, the commercial real estate markets. From county to county the strength or weakness of the vacant land class tended to reflect the strength or weakness of the residential and commercial property classes in that county.

Table 3 provides a by-county comparison of 2009 to 2008 values for the residential, commercial, and vacant land classes.

TABLE 3

COMPARISON OF PROPERTY CLASS VALUES BY COUNTY - 2009 to 2008

COUNTY	RESIDENTIAL CLASS			COMMERCIAL CLASS			VACANT LAND CLASS		
	2009	2008	Change	2009	2008	Change	2009	2008	Change
Adams	2,005,689,060	2,177,583,150	-7.9%	1,676,166,460	1,580,643,640	6.0%	169,451,270	190,592,430	-11.1%
Alamosa	49,620,684	45,135,218	9.9%	49,679,043	44,448,627	11.8%	14,131,497	13,132,070	7.6%
Arapahoe	3,955,280,450	4,233,898,200	-6.6%	3,356,710,690	2,917,202,300	15.1%	256,650,870	264,580,650	-3.0%
Archuleta	185,556,060	154,783,786	19.9%	55,573,680	51,775,675	7.3%	140,435,830	121,005,524	16.1%
Baca	6,119,320	6,266,918	-2.4%	5,318,745	4,877,420	9.0%	306,559	289,043	6.1%
Bent	7,783,383	7,751,189	0.4%	20,131,371	16,602,075	21.3%	429,259	414,999	3.4%
Boulder	3,151,178,140	3,081,353,450	2.3%	1,789,084,720	1,669,326,810	7.2%	174,286,800	176,540,520	-1.3%
Broomfield	424,535,458	423,513,645	0.2%	452,716,760	442,481,890	2.3%	51,769,290	53,735,860	-3.7%
Chaffee	180,033,600	156,432,480	15.1%	92,027,400	78,824,930	16.7%	81,947,860	71,520,210	14.6%
Cheyenne	3,400,816	3,416,691	-0.5%	3,332,495	3,391,410	-1.7%	225,209	230,995	-2.5%
Clear Creek	106,688,860	101,111,140	5.5%	28,028,040	28,582,460	-1.9%	26,585,410	26,797,640	-0.8%
Conejos	26,304,148	23,632,484	11.3%	4,731,297	4,033,898	17.3%	9,414,931	8,615,973	9.3%
Costilla	8,576,080	8,627,937	-0.6%	3,488,280	2,685,072	29.9%	103,380,870	91,649,147	12.8%
Crowley	5,896,339	5,686,154	3.7%	20,201,753	21,125,346	-4.4%	313,248	230,453	35.9%
Custer	52,342,270	46,734,610	12.0%	8,080,830	7,829,720	3.2%	24,716,500	23,492,770	5.2%
Delta	172,684,260	150,976,100	14.4%	68,063,080	61,655,370	10.4%	33,209,000	24,682,860	34.5%
Denver	4,546,921,570	4,512,971,310	0.8%	6,153,135,030	5,096,062,630	20.7%	238,222,210	212,368,360	12.2%
Dolores	11,992,746	10,453,711	14.7%	3,669,289	4,083,887	-10.2%	7,910,262	8,490,427	-6.8%
Douglas	2,802,092,260	2,709,385,800	3.4%	1,468,078,660	1,392,898,270	5.4%	338,494,900	356,591,690	-5.1%
Eagle	2,430,226,340	2,093,961,050	16.1%	766,533,050	700,977,440	9.4%	340,734,250	317,342,840	7.4%
El Paso	3,695,866,590	3,549,667,420	4.1%	2,203,595,620	2,080,863,020	5.9%	408,458,840	405,652,900	0.7%
Elbert	185,072,074	195,089,830	-5.1%	23,113,160	23,261,890	-0.6%	26,587,709	27,221,390	-2.3%
Fremont	198,549,420	192,438,930	3.2%	80,556,890	77,718,310	3.7%	50,614,970	46,770,420	8.2%
Garfield	633,504,570	487,096,360	30.1%	391,563,830	301,490,710	29.9%	232,354,710	155,879,320	49.1%
Gilpin	58,889,650	55,625,510	5.9%	258,487,560	228,722,130	13.0%	50,882,670	50,426,160	0.9%
Grand	432,577,610	404,564,240	6.9%	109,640,330	94,608,100	15.9%	189,818,750	191,372,620	-0.8%
Gunnison	362,891,150	332,774,640	9.1%	121,012,160	116,018,620	4.3%	240,695,010	232,974,060	3.3%
Hinsdale	29,972,520	22,830,220	31.3%	7,904,060	7,653,940	3.3%	21,954,370	16,822,880	30.5%
Huerfano	36,111,307	34,508,624	4.6%	20,065,298	19,844,448	1.1%	19,749,379	18,496,570	6.8%
Jackson	8,835,373	8,621,018	2.5%	3,668,351	3,351,505	9.5%	2,009,980	1,754,617	14.6%
Jefferson	4,260,319,360	4,330,155,840	-1.6%	2,355,434,360	2,288,453,130	2.9%	236,064,300	243,095,060	-2.9%
Kiowa	1,972,390	1,882,130	4.8%	1,026,430	1,055,040	-2.7%	70,850	74,340	-4.7%
Kit Carson	20,911,097	19,612,253	6.6%	35,844,649	38,873,374	-7.8%	905,354	838,692	7.9%
La Plata	627,852,580	588,495,170	6.7%	403,422,710	386,761,000	4.3%	218,847,090	216,835,660	0.9%
Lake	51,136,438	43,548,056	17.4%	11,424,625	10,922,467	4.6%	22,902,071	20,825,441	10.0%
Larimer	2,204,408,320	2,161,133,980	2.0%	1,336,388,540	1,236,949,970	8.0%	308,321,990	300,226,150	2.7%
Las Animas	56,460,960	53,414,150	5.7%	37,052,210	31,794,940	16.5%	21,234,270	23,208,080	-8.5%
Lincoln	11,787,328	11,662,991	1.1%	14,723,160	13,643,749	7.9%	1,563,800	1,491,280	4.9%
Logan	58,816,000	56,680,370	3.8%	42,353,640	43,132,330	-1.8%	2,775,880	2,894,760	-4.1%
Mesa	1,046,195,930	863,928,800	21.1%	641,173,550	540,556,490	18.6%	176,471,170	125,999,560	40.1%
Mineral	15,974,390	14,225,050	12.3%	6,315,640	6,313,270	0.0%	8,078,330	7,517,280	7.5%
Moffat	64,381,320	54,014,430	19.2%	42,694,210	32,830,730	30.0%	12,876,200	9,416,400	36.7%
Montezuma	135,419,390	113,658,990	19.1%	68,312,000	59,738,690	14.4%	32,266,070	31,393,340	2.8%
Montrose	259,953,240	245,623,610	5.8%	178,598,510	158,178,470	12.9%	74,270,940	69,931,840	6.2%
Morgan	93,678,390	90,285,740	3.8%	61,527,830	59,429,380	3.5%	6,088,510	5,580,290	9.1%
Otero	43,498,999	42,753,738	1.7%	26,441,999	27,006,105	-2.1%	1,545,261	1,535,844	0.6%
Ouray	89,660,520	82,538,920	8.6%	33,563,570	34,607,540	-3.0%	74,180,560	66,829,180	11.0%
Park	234,222,430	214,443,600	9.2%	29,397,456	27,873,174	5.5%	178,202,810	149,852,510	18.9%
Phillips	14,303,310	13,331,500	7.3%	11,624,230	10,541,360	10.3%	339,480	343,590	-1.2%
Pitkin	2,550,405,870	1,901,231,740	34.1%	680,069,030	541,290,210	25.6%	406,076,730	295,915,400	37.2%
Prowers	24,304,670	24,019,480	1.2%	25,669,700	24,384,260	5.3%	923,530	927,980	-0.5%
Pueblo	626,005,600	626,698,800	-0.1%	297,574,400	317,631,310	-6.3%	75,741,160	77,445,470	-2.2%
Rio Blanco	42,319,610	30,320,300	39.6%	30,847,210	22,683,180	36.0%	17,808,180	7,854,260	126.7%
Rio Grande	64,464,000	65,380,720	-1.4%	43,905,650	42,034,710	4.5%	41,468,190	37,800,030	9.7%
Routt	732,016,880	562,593,070	30.1%	297,637,390	252,915,110	17.7%	251,066,630	165,091,930	52.1%
Saguache	18,181,330	16,777,870	8.4%	5,646,670	5,523,280	2.2%	19,483,280	20,593,070	-5.4%
San Juan	14,761,870	13,654,320	8.1%	10,794,000	10,458,830	3.2%	20,738,610	18,767,080	10.5%
San Miguel	522,459,540	438,963,740	19.0%	150,066,900	120,352,200	24.7%	253,580,560	227,912,620	11.3%
Sedgwick	5,346,800	5,196,300	2.9%	3,067,220	3,103,320	-1.2%	71,130	82,290	-13.6%
Summit	1,252,239,785	990,515,336	26.4%	375,296,389	342,183,138	9.7%	281,511,276	214,052,332	31.5%
Teller	193,291,060	199,497,030	-3.1%	111,076,920	101,152,990	9.8%	84,991,250	81,819,960	3.9%
Washington	10,647,753	10,504,972	1.4%	3,920,514	3,937,694	-0.4%	240,424	268,251	-10.4%
Weld	1,147,452,920	1,259,424,810	-8.9%	711,373,330	665,193,890	6.9%	114,753,370	125,676,280	-8.7%
Yuma	27,896,690	26,508,680	5.2%	25,562,140	23,737,410	7.7%	954,100	854,400	11.7%
Total	42,297,938,878	40,409,568,301	4.7%	27,354,184,714	24,568,284,284	11.3%	6,202,155,769	5,662,626,048	9.5%

Agricultural Property

The value established for agricultural land is based on 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 tend to be stable from year to year.

Oil and Gas

There are currently about 41,000 active natural gas and oil wells in Colorado. The taxable value of the real property interests under production by these wells is calculated as a percentage of the sale price obtained for the product at the wellhead. This makes oil and gas among the most volatile of classes because the market prices of natural gas and crude oil can change considerably from year to year. When the prices rise or fall, the production volumes of the commodities tend to increase or decrease in harmony with the changes in price, magnifying the effect of price changes on the assessed value.

Since 2000, Colorado has experienced a 698 percent increase in the total assessed value of the oil and gas class. Among the classes of taxable property, oil and gas contains the third highest total assessed value, up from sixth highest in 2000. The 2009 total assessed value for the oil and gas class is $11,858,552,261, which is 12.1 percent of the state's total taxable value. A partial history of the assessed value for the class is shown in **Table 4.**

TABLE 4

2009 OIL AND GAS CLASS			
Year	**(Billions) Value**	**Change from Prior Year**	**% of Total Taxable**
2001	$2.65	78.5%	4.5%
2002	$2.80	5.6%	4.6%
2003	$2.20	-21.4%	3.6%
2004	$3.91	77.6%	6.0%
2005	$5.06	29.4%	7.2%
2006	$7.33	45.0%	9.8%
2007	$7.22	-1.4%	8.5%
2008	$7.68	6.3%	8.8%
2009	$11.86	54.5%	12.1%

About 95 percent of the taxable value of the oil and gas class is concentrated in ten counties. In four of those counties, Cheyenne, Las Animas, Garfield and Rio Blanco, over 70 percent of the county's taxable value is classified as oil and gas. This is significant because the Constitutional Taxpayer Bill of Rights (TABOR) prohibits a mill levy increase without voter approval. This restriction, when coupled with a volatile tax base, can cause a "ratchet down" effect on property tax revenue over time.

Table 5 lists the top-ten oil and gas producing counties for 2009 and the percentage of change in total value.

TABLE 5

HIGHEST OIL AND GAS VALUE By County 2009			
County	**2009 Assessed Oil and Gas**	**% Change 2008-2009**	**% Value in O&G**
Garfield	3,879,943,820	73.9%	74.0%
Weld	2,868,050,190	67.7%	49.6%
La Plata	2,022,884,360	23.4%	59.3%
Rio Blanco	821,666,900	42.5%	70.3%
Las Animas	639,055,760	28.8%	75.6%
Montezuma	310,477,420	79.2%	50.9%
Mesa	283,820,580	102.5%	11.8%
Yuma	251,044,860	42.2%	59.7%
Moffat	142,587,950	58.6%	27.9%
Cheyenne	140,626,587	27.8%	77.6%

Other Production Classes

The value of land in the other production classes, natural resources and producing mines, is also calculated as a percentage of the money obtained from selling the product. The value of producing mines is subject to a high level of volatility, but the class comprises only 0.5 percent of the state's total assessed value. Although fourteen counties have producing mines, the great majority of the producing mines value is associated with two mines located in three counties. The world's largest primary producer of molybdenum, the Henderson mine, straddles the Continental Divide in Clear Creek and Grand Counties. Since 1976, the mine has produced more than 160 million tons of ore and 770 million pounds of molybdenum.

Teller County is the location of most of Colorado's gold production. The county's

primary mine, the Cresson Mine, is located between Victor and Cripple Creek. In 2009, the mine produced 217,609 troy ounces of gold.

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's website, the average price of gold for 2009 was $950 per ounce, up from the $900 per ounce price listed the prior year.

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, airlines and railroads. 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.

State assessed values were up nearly six percent in 2009. Pipeline infrastructure growth, new renewable energy development, and increases to railroad values were the largest contributors to the increase. Gains in those sectors were partially offset by continued weakness in the airline and telecom industries.

Personal Property in 2009

In 2009, personal property accounted for 11.9 percent of Colorado's property tax base, but that percentage varied substantially from county to county. Approximately 40 percent of personal property is classified as state assessed while the remainder is valued at the local level. In 2009, 89.1 percent of the state assessed property value was 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, business industry materials 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 is increasing according to the following schedule:

- Four thousand dollars ($4,000) for property tax years commencing on January 1 2009 and January 1, 2010.
- Five thousand five hundred dollars ($5,500) for property tax years commencing on January 1, 2011 and January 1, 2012.
- Seven thousand dollars ($7,000) for property tax years commencing on January 1, 2013 and January 1, 2014.

In addition, a provision found in the 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 total percentage of value comprised of personal property.

TABLE 6

DISTRIBUTION OF PERSONAL PROPERTY IN 2009

County	State Assd. Personal	% of Total	Locally Assd. Personal	% of Total	Total Personal	% of Total	Total Real	Total Assd. Value
Adams	316,321,400	6.88%	553,919,120	12.05%	870,240,520	18.93%	3,727,915,220	4,598,155,740
Alamosa	12,139,930	8.41%	7,404,194	5.13%	19,544,124	13.55%	124,741,418	144,285,542
Arapahoe	302,661,960	3.80%	474,643,690	5.96%	777,305,650	9.77%	7,182,454,430	7,959,760,080
Archuleta	9,042,234	2.13%	8,622,070	2.03%	17,664,304	4.17%	406,072,826	423,737,130
Baca	32,060,366	42.06%	3,330,297	4.37%	35,390,663	46.43%	40,840,460	76,231,123
Bent	20,296,994	27.57%	1,254,536	1.70%	21,551,530	29.27%	52,072,216	73,623,746
Boulder	140,558,960	2.41%	408,928,290	7.01%	549,487,250	9.41%	5,287,703,050	5,837,190,300
Broomfield	41,655,900	3.84%	116,304,790	10.72%	157,960,690	14.56%	926,664,308	1,084,624,998
Chaffee	14,534,330	3.74%	9,626,970	2.48%	24,161,300	6.22%	364,432,870	388,594,170
Cheyenne	14,283,521	7.88%	15,678,675	8.65%	29,962,196	16.53%	151,272,456	181,234,652
Clear Creek	10,730,840	2.04%	73,517,810	13.99%	84,248,650	16.04%	441,103,430	525,352,080
Conejos	3,688,147	6.81%	934,298	1.73%	4,622,445	8.54%	49,498,188	54,120,633
Costilla	5,332,090	4.18%	557,510	0.44%	5,889,600	4.61%	121,770,570	127,660,170
Crowley	3,578,420	10.35%	705,060	2.04%	4,283,480	12.39%	30,285,377	34,568,857
Custer	4,009,600	4.18%	586,370	0.61%	4,595,970	4.79%	91,266,730	95,862,700
Delta	22,879,100	6.48%	28,280,780	8.02%	51,159,880	14.50%	301,687,450	352,847,330
Denver	657,201,400	5.47%	813,420,350	6.77%	1,470,621,750	12.23%	10,552,410,190	12,023,031,940
Dolores	11,557,512	11.59%	12,218,095	12.25%	23,775,607	23.84%	75,937,990	99,713,597
Douglas	145,448,200	2.98%	262,736,150	5.38%	408,184,350	8.37%	4,471,354,600	4,879,538,950
Eagle	56,384,620	1.56%	100,593,680	2.78%	156,978,300	4.34%	3,463,256,500	3,620,234,800
El Paso	260,396,170	3.81%	395,092,740	5.78%	655,488,910	9.58%	6,185,654,260	6,841,143,170
Elbert	16,671,692	6.09%	3,968,450	1.45%	20,640,142	7.54%	253,065,340	273,705,482
Fremont	27,874,330	6.14%	77,886,490	17.15%	105,760,820	23.28%	348,461,300	454,222,120
Garfield	71,229,470	1.36%	786,793,000	15.01%	858,022,470	16.37%	4,384,184,310	5,242,206,780
Gilpin	6,076,219	1.57%	32,816,870	8.49%	38,893,089	10.07%	347,503,821	386,396,910
Grand	28,756,430	2.95%	59,440,170	6.11%	88,196,600	9.06%	885,201,190	973,397,790
Gunnison	10,610,970	1.25%	62,034,200	7.32%	72,645,170	8.57%	775,256,580	847,901,750
Hinsdale	619,290	1.00%	298,220	0.48%	917,510	1.48%	60,922,730	61,840,240
Huerfano	20,163,785	15.25%	6,459,475	4.88%	26,623,260	20.13%	105,640,133	132,263,393
Jackson	1,882,759	4.79%	2,650,257	6.74%	4,533,016	11.53%	34,771,137	39,304,153
Jefferson	257,026,850	3.47%	470,962,800	6.36%	727,989,650	9.83%	6,681,140,090	7,409,129,740
Kiowa	3,498,980	8.93%	1,563,550	3.99%	5,062,530	12.92%	34,116,990	39,179,520
Kit Carson	18,405,517	15.26%	6,537,528	5.42%	24,943,045	20.68%	95,690,173	120,633,218
La Plata	60,961,200	1.79%	335,428,100	9.83%	396,389,300	11.62%	3,015,990,390	3,412,379,690
Lake	8,558,616	8.04%	4,007,176	3.76%	12,565,792	11.80%	93,940,522	106,506,314
Larimer	92,067,470	2.16%	328,987,832	7.71%	421,055,302	9.87%	3,846,973,855	4,268,029,157
Las Animas	63,787,290	7.54%	126,804,890	14.99%	190,592,180	22.53%	655,175,890	845,768,070
Lincoln	20,425,909	26.13%	2,977,695	3.81%	23,403,604	29.94%	54,773,751	78,177,355
Logan	96,718,300	35.53%	22,221,350	8.16%	118,939,650	43.69%	153,289,520	272,229,170
Mesa	97,315,425	4.06%	183,881,760	7.67%	281,197,185	11.73%	2,116,949,995	2,398,147,180
Mineral	1,006,890	3.06%	1,953,470	5.93%	2,960,360	8.99%	29,983,020	32,943,380
Moffat	152,971,980	29.92%	60,785,640	11.89%	213,757,620	41.80%	297,585,590	511,343,210
Montezuma	35,276,012	5.79%	55,533,850	9.11%	90,809,862	14.90%	518,794,583	609,604,445
Montrose	50,024,902	7.99%	35,588,250	5.68%	85,613,152	13.67%	540,729,528	626,342,680
Morgan	134,787,200	33.14%	43,837,080	10.78%	178,624,280	43.92%	228,114,550	406,738,830
Otero	25,526,001	20.83%	7,375,412	6.02%	32,901,413	26.85%	89,646,451	122,547,864
Ouray	5,874,757	2.79%	2,234,460	1.06%	8,109,217	3.85%	202,427,313	210,536,530
Park	14,070,272	3.00%	2,791,899	0.60%	16,862,171	3.59%	452,321,493	469,183,664
Phillips	3,044,550	5.22%	4,418,480	7.58%	7,463,030	12.80%	50,864,140	58,327,170
Pitkin	22,423,510	0.61%	52,589,920	1.43%	75,013,430	2.04%	3,600,777,010	3,675,790,440
Prowers	35,101,200	28.02%	7,390,290	5.90%	42,491,490	33.92%	82,760,470	125,251,960
Pueblo	139,963,340	10.37%	168,647,900	12.49%	308,611,240	22.86%	1,041,465,227	1,350,076,467
Rio Blanco	79,613,780	6.81%	353,740,600	30.28%	433,354,380	37.09%	734,989,080	1,168,343,460
Rio Grande	9,153,480	5.09%	6,549,280	3.64%	15,702,760	8.74%	163,977,890	179,680,650
Routt	76,047,700	5.20%	66,386,110	4.54%	142,433,810	9.73%	1,320,732,770	1,463,166,580
Saguache	4,715,000	7.60%	879,490	1.42%	5,594,490	9.01%	56,478,960	62,073,450
San Juan	1,728,720	2.93%	829,610	1.41%	2,558,330	4.34%	56,417,060	58,975,390
San Miguel	12,787,371	1.23%	26,000,130	2.50%	38,787,501	3.72%	1,003,033,139	1,041,820,640
Sedgwick	34,921,032	59.96%	843,430	1.45%	35,764,462	61.41%	22,478,788	58,243,250
Summit	26,021,075	1.33%	73,072,412	3.74%	99,093,487	5.08%	1,852,291,250	1,951,384,737
Teller	12,704,180	2.59%	41,620,410	8.48%	54,324,590	11.07%	436,308,550	490,633,140
Washington	28,278,058	21.94%	4,330,801	3.36%	32,608,859	25.30%	96,289,845	128,898,704
Weld	485,203,040	8.39%	387,595,410	6.71%	872,798,450	15.10%	4,906,895,070	5,779,693,520
Yuma	44,275,140	10.53%	38,858,890	9.24%	83,134,030	19.78%	337,236,520	420,370,550
TOTALS	**4,422,931,386**	**4.52%**	**7,247,928,512**	**7.41%**	**11,670,859,898**	**11.94%**	**86,114,040,553**	**97,784,900,451**

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 comprised 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%
1997-1998	9.74%
1999-2000	9.74%
2001-2002	9.15%
2003-2004	7.96%
2005-2006	7.96%
2007-2008	7.96%
2009-2010	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 2009 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.

Assessment Rate and Tax Burden

Table 8, calculates the savings to residential taxpayers from the inception of the Gallagher Amendment through 2009. 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 $15,943,362,927. 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: Average statewide mill levy for each tax year.

5: Hypothetical average statewide mill levy needed to generate the total true revenue if the residential assessment rate had been 21 percent. This is calculated by dividing the total true revenue received in each year (Column 10), by the total assessed value at 21 percent (Column 9).

6: Total true residential assessed value as reflected in the 2009 Abstracts of Assessment.

7: Total statewide assessed value, as reflected in the Certification of Levies and Revenue reports compiled and submitted by county commissioners.

8: Hypothetical total residential assessed value, had the residential rate remained at 21 percent.

9: Hypothetical total assessed value, had the residential assessment rate remained at 21 percent.

10: Total statewide property tax revenue, as reflected in the Certification of Levies and Revenue reports compiled and submitted by county commissioners.

11: Hypothetical property tax revenue attributable to residential property, had the residential rate remained at 21 percent. This is calculated by multiplying the hypothetical mill levy at 21 percent (Column 5) by the hypothetical residential assessed value at 21 percent (Column 8).

12: Total property tax revenue of residential property at the assessment rate established for each tax year. This is calculated by multiplying the total statewide residential assessed value (Column 6) by the statewide average mill levy (Column 4).

13: Savings to residential taxpayers, Column 11 minus Column 12.

Table 9 illustrates the effect of Gallagher on the statewide assessed value of residential property since 1983. As the table shows, the percentage of actual value attributable to residential property has increased dramatically since Gallagher's inception, from 53.2 percent in 1983 to 76.1 percent today. At the same time, the adjustment of the residential assessment rate caused the percentage of total assessed value comprised of residential property to remain essentially stable.

TABLE 8

SHIFT OF PROPERTY TAX BURDEN DUE TO THE GALLAGHER AMENDMENT

Tax Year	Res. Rate w/o Gallagher	Actual Res. Rate	Avg Actual Mill Levy	Avg. Levy at 21%	Total True Res. Assd. Value	Total True Assd. Value	Total Res. Assd. Value at 21%	Total Assd. Value at 21%	Total TRUE Revenue	Res. Revenue at 21%	Res. Revenue at True Rate	Savings to Res Taxpayers
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7	Column 8	Column 9	Column 10	Column 11	Column 12	Column 13
1987	21%	18.00%	61.631	57.041	$16,082,851,000	$33,305,709,386	$18,763,326,167	$35,986,184,553	$2,052,676,764	$1,070,273,054	$991,208,269	$79,064,785
1988	21%	16.00%	68.941	60.260	$14,565,525,000	$31,594,514,873	$19,117,251,563	$36,146,241,436	$2,178,165,007	$1,152,001,612	$1,004,165,343	$147,836,269
1989	21%	15.00%	76.599	64.812	$13,246,081,000	$29,132,506,180	$18,544,513,400	$34,430,938,580	$2,231,532,285	$1,201,903,929	$1,014,641,762	$187,262,167
1990	21%	15.00%	77.543	65.465	$13,393,681,000	$29,039,235,830	$18,751,153,400	$34,396,708,230	$2,251,797,175	$1,227,553,345	$1,038,589,762	$188,963,583
1991	21%	14.34%	82.883	68.395	$12,886,606,000	$28,254,712,020	$18,871,598,745	$34,239,704,765	$2,341,834,706	$1,290,728,562	$1,068,080,296	$222,648,266
1992	21%	14.34%	84.618	69.563	$13,256,627,000	$28,447,544,980	$19,413,470,502	$34,604,388,482	$2,407,175,164	$1,350,453,688	$1,121,749,638	$228,704,050
1993	21%	12.86%	84.215	65.064	$13,373,489,410	$28,758,329,600	$21,838,513,033	$37,223,353,223	$2,421,892,140	$1,420,896,252	$1,126,252,788	$294,643,464
1994	21%	12.86%	84.423	65.084	$13,970,427,000	$29,761,160,460	$22,813,294,479	$38,604,027,939	$2,512,514,138	$1,484,786,121	$1,179,419,579	$305,366,542
1995	21%	10.36%	82.287	55.600	$15,155,126,840	$32,428,020,970	$30,719,851,703	$47,992,745,833	$2,668,403,530	$1,708,028,147	$1,247,069,440	$460,958,707
1996	21%	10.36%	82.951	55.931	$15,788,272,000	$33,563,472,960	$32,003,254,054	$49,778,455,014	$2,784,139,391	$1,789,961,545	$1,309,660,357	$480,301,188
1997	21%	9.74%	78.773	51.464	$17,673,602,010	$38,502,250,770	$38,105,302,075	$58,933,950,835	$3,032,955,892	$1,961,037,718	$1,392,210,956	$568,826,762
1998	21%	9.74%	80.042	52.162	$18,452,519,220	$39,910,771,429	$39,784,692,363	$61,242,944,572	$3,194,557,668	$2,075,251,197	$1,476,985,652	$598,265,545
1999	21%	9.74%	74.927	48.756	$21,633,354,370	$46,590,805,330	$46,642,755,829	$71,600,206,789	$3,490,910,908	$2,274,095,459	$1,620,923,103	$653,172,356
2000	21%	9.74%	75.733	49.182	$22,729,547,584	$48,673,508,510	$49,006,211,423	$74,950,172,349	$3,686,192,349	$2,410,218,895	$1,721,377,541	$688,841,354
2001	21%	9.15%	70.416	43.633	$27,699,298,175	$58,440,166,120	$63,572,159,746	$94,313,027,691	$4,115,123,689	$2,773,819,343	$1,950,474,231	$823,345,112
2002	21%	9.15%	72.350	44.696	$28,882,504,491	$60,456,523,380	$66,287,715,225	$97,861,734,114	$4,374,011,505	$2,962,784,501	$2,089,640,619	$873,143,882
2003	21%	7.96%	74.335	41.705	$29,523,577,562	$61,816,965,320	$77,888,835,277	$110,182,223,035	$4,595,136,111	$3,248,344,331	$2,194,621,762	$1,053,722,569
2004	21%	7.96%	74.969	42.274	$30,470,840,993	$64,541,293,358	$80,387,897,092	$114,458,349,457	$4,838,584,603	$3,398,298,534	$2,284,362,993	$1,113,935,541
2005	21%	7.96%	73.284	41.409	$33,110,601,388	$70,466,165,655	$87,352,089,089	$124,707,653,356	$5,164,064,927	$3,617,194,674	$2,426,487,858	$1,190,706,817
2006	21%	7.96%	73.480	41.859	$34,350,208,817	$74,489,498,610	$90,622,410,196	$130,761,699,989	$5,473,511,765	$3,793,334,198	$2,524,064,138	$1,269,270,060
2007	21%	7.96%	72.882	41.469	$39,331,276,064	$85,060,615,128	$103,763,416,752	$149,492,755,816	$6,199,362,883	$4,302,998,302	$2,866,530,563	$1,436,467,739
2008	21%	7.96%	72.748	41.405	$40,409,568,301	$87,449,633,973	$106,608,157,578	$153,648,223,250	$6,361,812,205	$4,414,115,983	$2,939,727,397	$1,474,388,587
2009	21%	7.96%	69.761	40.813	$42,297,938,878	$97,690,726,981	$111,590,039,754	$166,982,827,857	$6,814,995,043	$4,554,274,098	$2,950,746,514	$1,603,527,584

Estimated total savings to residential taxpayers from inception to 2009 = $15,943,362,927

TABLE 9

COLORADO ASSESSED VALUES

	ASSESSED VALUES				DISTRIBUTION OF VALUE		
Year	Total	Residential	Non-Residential	Year	Total	Residential	Non-Residential
1983	$17,185,698,000	$7,424,951,000	$9,760,747,000	**1983**	100.0%	43.2%	56.8%
1984	$17,905,089,000	$7,921,865,470	$9,983,223,530	**1984**	100.0%	44.2%	55.8%
1985	$18,730,104,000	$8,327,520,240	$10,402,583,760	**1985**	100.0%	44.5%	55.5%
1986	$19,216,096,000	$8,646,958,180	$10,569,137,820	**1986**	100.0%	45.0%	55.0%
1987	$33,261,142,000	$16,082,850,600	$17,178,291,400	**1987**	100.0%	48.4%	51.6%
1988	$31,660,568,730	$14,565,865,580	$17,094,703,150	**1988**	100.0%	46.0%	54.0%
1989	$29,131,941,640	$13,247,498,311	$15,884,443,329	**1989**	100.0%	45.5%	54.5%
1990	$29,082,011,770	$13,393,681,560	$15,688,330,210	**1990**	100.0%	46.1%	53.9%
1991	$28,285,335,860	$12,886,606,790	$15,398,729,070	**1991**	100.0%	45.6%	54.4%
1992	$28,490,629,640	$13,256,627,100	$15,234,002,540	**1992**	100.0%	46.5%	53.5%
1993	$28,820,035,320	$13,373,489,410	$15,446,545,910	**1993**	100.0%	46.4%	53.6%
1994	$29,831,046,660	$13,970,427,000	$15,860,619,660	**1994**	100.0%	46.83%	53.17%
1995	$32,469,922,680	$15,155,131,610	$17,314,791,070	**1995**	100.0%	46.67%	53.33%
1996	$33,606,775,890	$15,788,272,000	$17,818,503,890	**1996**	100.0%	46.98%	53.02%
1997	$38,536,664,720	$17,673,602,020	$20,863,062,700	**1997**	100.0%	45.86%	54.14%
1998	$40,165,596,490	$18,452,519,220	$21,713,077,270	**1998**	100.0%	45.94%	54.06%
1999	$46,711,921,473	$21,633,354,370	$25,078,567,103	**1999**	100.0%	46.31%	53.69%
2000	$48,757,383,218	$22,729,547,584	$26,027,835,634	**2000**	100.0%	46.62%	53.38%
2001	$58,812,663,875	$27,699,298,175	$31,113,365,700	**2001**	100.0%	47.10%	52.90%
2002	$60,564,946,027	$28,888,969,314	$31,675,976,713	**2002**	100.0%	47.70%	52.30%
2003	$61,949,204,975	$29,523,577,562	$32,425,627,413	**2003**	100.0%	47.66%	52.34%
2004	$64,630,921,990	$30,470,840,993	$34,160,080,997	**2004**	100.0%	47.15%	52.85%
2005	$70,625,603,899	$33,110,601,388	$37,515,002,511	**2005**	100.0%	46.88%	53.12%
2006	$74,549,449,375	$34,350,208,817	$40,199,240,558	**2006**	100.0%	46.08%	53.92%
2007	$85,147,187,463	$39,331,276,064	$45,815,911,399	**2007**	100.0%	46.19%	53.81%
2008	$87,550,006,576	$40,409,568,301	$47,140,438,275	**2008**	100.0%	46.16%	53.84%
2009	$97,784,900,451	$42,297,938,878	$55,486,961,573	**2009**	100.0%	43.26%	56.74%

COLORADO ACTUAL VALUES

	ACTUAL VALUES				DISTRIBUTION OF VALUE		
Year	Total	Residential	Non-Residential	Year	Total	Residential	Non-Residential
1983	$66,459,485,820	$35,356,909,524	$31,102,576,296	**1983**	100.0%	53.20%	46.80%
1984	$69,718,797,755	$37,723,168,905	$31,995,628,850	**1984**	100.0%	54.11%	45.89%
1985	$72,958,307,363	$39,654,858,286	$33,303,449,078	**1985**	100.0%	54.35%	45.65%
1986	$75,118,950,953	$41,175,991,333	$33,942,959,620	**1986**	100.0%	54.81%	45.19%
1987	$146,891,450,388	$89,349,170,000	$57,542,280,388	**1987**	100.0%	60.83%	39.17%
1988	$148,225,023,177	$91,036,659,875	$57,188,363,302	**1988**	100.0%	61.42%	38.58%
1989	$141,342,075,160	$88,316,655,407	$53,025,419,753	**1989**	100.0%	62.48%	37.52%
1990	$141,421,555,163	$89,291,210,400	$52,130,344,763	**1990**	100.0%	63.14%	36.86%
1991	$140,967,103,411	$89,864,761,437	$51,102,341,974	**1991**	100.0%	63.75%	36.25%
1992	$142,906,267,259	$92,445,098,326	$50,461,168,932	**1992**	100.0%	64.69%	35.31%
1993	$155,096,689,828	$103,992,919,207	$51,103,770,621	**1993**	100.0%	67.05%	32.95%
1994	$160,946,706,538	$108,634,735,614	$52,311,970,923	**1994**	100.0%	67.50%	32.50%
1995	$203,663,083,533	$146,285,054,151	$57,378,029,382	**1995**	100.0%	71.83%	28.17%
1996	$211,793,556,887	$152,396,447,876	$59,397,109,011	**1996**	100.0%	71.96%	28.04%
1997	$250,804,220,896	$181,453,819,507	$69,350,401,389	**1997**	100.0%	72.35%	27.65%
1998	$261,128,074,968	$189,450,916,016	$71,677,158,951	**1998**	100.0%	72.55%	27.45%
1999	$306,002,830,219	$222,108,361,088	$83,894,469,131	**1999**	100.0%	72.58%	27.42%
2000	$320,312,771,175	$233,362,911,540	$86,949,859,635	**2000**	100.0%	72.85%	27.15%
2001	$404,716,127,139	$302,724,570,219	$101,991,556,920	**2001**	100.0%	74.80%	25.20%
2002	$419,294,563,373	$315,726,440,590	$103,568,122,783	**2002**	100.0%	75.30%	24.70%
2003	$478,546,478,821	$370,899,215,603	$107,647,263,218	**2003**	100.0%	77.51%	22.49%
2004	$492,572,877,562	$382,799,509,962	$109,773,367,599	**2004**	100.0%	77.71%	22.29%
2005	$534,826,428,655	$415,962,328,995	$118,864,099,660	**2005**	100.0%	77.78%	22.22%
2006	$554,757,341,157	$431,535,286,646	$123,222,054,512	**2006**	100.0%	77.79%	22.21%
2007	$636,895,128,388	$494,111,508,342	$142,783,620,046	**2007**	100.0%	77.58%	22.42%
2008	$654,555,841,028	$507,657,893,229	$146,897,947,799	**2008**	100.0%	77.56%	22.44%
2009	$698,329,685,726	$531,381,141,683	$166,948,544,043	**2009**	100.0%	76.09%	23.91%

The total assessed values in Table 9 may not match the values in Table 8, as they originate from different sources. The values in Table 9 were taken from the 2009 Abstracts of Assessment while the total assessed value listed in Table 8 is from the Certification of Levies and Revenues.

PROTESTS, APPEALS, AND ABATEMENTS

Protests and Appeals

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

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

The number of protests and appeals varies greatly from county to county. During 2009 Denver County received the greatest number of protests with 15,016 while Kiowa County received three. For many counties, the protest process places a significant strain on the resources of the assessor's office. **Table 10** lists the protests and county board appeals for each county during the last three reappraisal years, organized according to the county officer pay categories established in § 30-2-102, C.R.S. For the purpose of this table, the Cities and Counties of Denver and Broomfield are placed in category one. **Table 11** provides a statistical summary of protests and appeals. The Board of Assessment Appeals protest and appeals data was not available for property tax year 2009.

Abatements

An abatement of tax is a cancellation or reduction in the amount of tax owed by the taxpayer.

The abatement process begins after the tax roll is printed. The process corrects an illegal or erroneous value or tax. Illegal and erroneous assessments or taxes are defined in statute as, "erroneous valuation for assessment, irregularity in levying, clerical error, or overvaluation," § 39-10-114(1)(a)(I)(A), C.R.S. Overvaluation is defined as valuation adjustments that require judgment, such as effective age of a property, quality, condition, depreciation, or economic obsolescence.

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 2007, 2008, and 2009.

TABLE 10

PROTESTS AND APPEALS

County	Protests to Assessor			Protests to Assessor (PER EMPLOYEE)			Appeals to CBOE		
Category 1	**2005**	**2007**	**2009**	**2005**	**2007**	**2009**	**2005**	**2007**	**2009**
Adams	8,404	6,242	6,519	195	145	152	1,488	964	2,308
Arapahoe	5,119	9,679	9,594	71	138	145	1,337	2,758	4,283
Boulder	6,741	9,682	10,722	145	206	241	648	230	1,383
Broomfield	939	1,084	1,154	104	120	144	111	178	354
Denver	5,784	12,292	15,016	70	154	218	1,807	2,456	4,197
Douglas	6,360	8,608	9,182	127	172	200	2,512	2,508	4,268
El Paso	7,000	5,999	9,956	113	105	195	1,440	851	1,366
Jefferson	8,285	12,974	10,539	145	228	199	1,557	1,741	2,429
Larimer	14,783	11,685	13,533	279	225	271	2,035	1,161	3,276
Pueblo	733	1,272	925	23	42	30	3	10	14
Weld	4,626	4,340	5,165	119	122	161	468	396	866
Category 2									
Eagle	2,550	5,869	8,103	116	293	386	495	1,548	2,555
Fremont	1,221	1,636	1,369	94	126	124	17	145	108
Garfield	1,166	981	2,753	69	59	125	339	345	423
La Plata	1,466	2,772	1,132	75	135	60	57	60	63
Mesa	2,658	3,235	4,319	95	112	144	164	213	599
Pitkin	963	2,118	4,628	96	223	441	181	387	1,873
Summit	3,283	3,365	6,873	173	173	362	300	374	825
Category 3									
Alamosa	151	248	237	19	31	30	7	9	7
Archuleta	1,303	2,207	3,181	118	276	277	32	500	435
Chaffee	1,177	1,011	1,638	131	112	182	164	101	218
Clear Creek	779	732	747	139	146	149	12	41	51
Delta	609	780	1,106	57	59	88	14	32	98
Gilpin	378	696	352	63	99	50	10	47	25
Grand	1,047	2,431	2,065	95	221	188	91	321	246
Gunnison	943	2,200	2,251	86	220	225	64	182	279
Las Animas	403	445	840	40	45	76	4	23	9
Logan	231	255	201	26	28	22	13	20	10
Moffat	289	454	497	48	76	83	6	13	40
Montrose	645	928	733	61	81	64	97	186	197
Morgan	504	466	158	46	42	14	29	9	6
Otero	103	107	102	13	13	16	6	1	3
Park	2,324	2,270	2,244	186	197	204	348	172	375
Rio Blanco	77	263	302	13	44	43	0	145	110
Routt	837	1,533	2,706	73	153	271	150	352	465
San Miguel	761	657	1,127	109	73	125	134	68	288
Teller	917	1,942	1,257	61	129	79	110	323	235
Category 4									
Custer	98	173	284	20	35	57	1	0	1
Elbert	612	236	659	47	18	60	175	15	35
Huerfano	127	186	317	21	27	45	2	4	22
Kit Carson	194	271	102	49	90	26	5	1	3
Lake	246	476	387	41	95	77	7	16	35
Montezuma	486	622	1,225	54	69	144	71	83	43
Ouray	413	463	250	103	116	63	21	55	34
Prowers	350	150	50	70	30	10	0	0	0
Rio Grande	332	1,086	652	83	136	82	4	25	202
Washington	90	15	20	18	3	3	1	0	0
Yuma	256	148	949	51	27	173	1	0	0
Category 5									
Baca	5	20	4	1	6	1	0	0	0
Bent	134	126	116	34	32	26	2	0	2
Cheyenne	60	128	52	20	51	21	3	0	0
Conejos	137	113	256	137	25	57	0	0	26
Costilla	54	765	2,159	11	153	432	5	194	730
Crowley	11	5	12	11	5	12	0	1	3
Hinsdale	81	319	489	41	80	245	6	1	40
Lincoln	24	15	25	5	3	5	0	0	2
Phillips	37	13	60	12	4	20	0	0	0
Saguache	43	133	131	9	27	33	0	1	0
San Juan	56	59	43	56	59	29	2	10	3
Category 6									
Dolores	112	199	89	37	66	30	0	1	0
Jackson	1	2	6	1	2	3	1	2	0
Kiowa	0	0	3	0	0	2	0	0	0
Mineral	6	35	20	4	18	11	0	1	3
Sedgwick	14	18	15	7	6	5	14	0	0

TABLE 11

PROTESTS AND APPEALS

Assessors	2005	2007	2009
Total Parcels	2,268,488	2,342,391	2,511,308
Parcels/Schedules Protested	99,538	129,234	151,601
Protests as a Percent of Total Parcels	4.4%	5.5%	6.0%
Percent Change from Prior Reappraisal	-21.5%	29.8%	17.3%
County Boards of Equalization (CBOE)			
Parcels/Schedules Appealed to CBOE	19,065	19,280	35,471
Percent of CBOE Appeals to Protests	19.2%	14.9%	23.4%
Additional Assessor Costs			
Dollars of Overtime Paid	$93,226	$113,288	$221,428
Hours of Compensation Time Granted	2,825	3,317	7,396
Parcels Protested Per Assessor's Employee			
Average Number Protested Per Employee	109	94	116
Maximum Number Protested Per Employee	279	293	441
Minimum Number Protested Per Employee	0	0	1
Parcels Protested Per Employee – Frequency Distribution			
0 – 50	28	24	24
51 – 100	19	13	12
101 – 200	16	19	16
201 – 300	1	8	8
301 – 400	0	0	2
401 – 500	0	0	2
Counties Reporting	64	64	64

Parcel count derived from county Abstracts of Assessment. Includes condominium units.

Overtime/comp time figures not available from all counties.

TABLE 12

ABATEMENTS, REFUNDS AND CANCELLATION OF TAXES

County	2009 Abatement Amounts	2009 Abatement Counts	2009 Average Abated	2008 Abatement Amounts	2008 Abatement Counts	2008 Average Abated	2007 Abatement Amounts	2007 Abatement Counts	2007 Average Abated
Adams	$2,174,806	1,603	$1,357	$1,500,009	1,133	$1,324	$2,921,051	1,159	$2,520
Alamosa	$30,530	50	$611	$7,926	38	$209	$32,057	228	$141
Arapahoe	$7,766,984	1,306	$5,947	$9,076,676	1,153	$7,872	$7,620,926	3,303	$2,307
Archuleta	$56,116	46	$1,220	$101,887	97	$1,050	$35,048	69	$508
Baca	$13,419	38	$353	$10,617	41	$259	$807	23	$35
Bent	$2,363	33	$72	$7,607	119	$64	$3,422	32	$107
Boulder	$1,496,375	1,163	$1,287	$1,557,669	697	$2,235	$1,167,503	1,006	$1,161
Broomfield	$2,298,613	843	$2,727	$1,809,958	237	$7,637	$2,099,258	119	$17,641
Chaffee	$32,632	63	$518	$35,440	74	$479	$59,382	92	$645
Cheyenne	$5,608	14	$401	$559	13	$43	$7	3	$2
Clear Creek	$123,406	173	$713	$65,408	257	$255	$53,355	85	$628
Conejos	$17,780	63	$282	$26,151	108	$242	$7,279	52	$140
Costilla	$22,800	83	$275	$91,212	57	$1,600	$24,187	12	$2,016
Crowley	$44	1	$44	$505	3	$168	$681	3	$227
Custer	$6,702	17	$394	$5,070	16	$317	$846	5	$169
Delta	$34,456	244	$141	$76,841	96	$800	$40,959	105	$390
Denver	$11,596,449	2,073	$5,594	$9,903,961	1,937	$5,113	$11,084,772	2,145	$5,168
Dolores	$4,184	10	$418	$11,263	23	$490	$4,488	26	$173
Douglas	$3,533,946	1,021	$3,461	$6,063,080	898	$6,752	$6,196,914	925	$6,699
Eagle	$2,488,018	525	$4,739	$3,648,808	949	$3,845	$1,437,745	255	$5,638
Elbert	$145,701	123	$1,185	$307,941	102	$3,019	$170,847	93	$1,837
El Paso	$4,270,915	2,419	$1,766	$4,614,242	3,493	$1,321	$2,164,622	1,269	$1,706
Fremont	$241,342	261	$925	$125,300	319	$393	$83,269	289	$288
Garfield	$221,959	169	$1,313	$447,335	317	$1,411	$164,555	115	$1,431
Gilpin	$252,948	50	$5,059	$22,963	49	$469	$17,708	16	$1,107
Grand	$119,829	139	$862	$97,872	165	$593	$41,523	62	$670
Gunnison	$100,450	109	$922	$78,804	71	$1,110	$185,214	74	$2,503
Hinsdale	$13,425	9	$1,492	$8,478	18	$471	$7,264	2	$3,632
Huerfano	$476,917	571	$835	$280,061	48	$5,835	$311,731	388	$803
Jackson	$5,836	2	$2,918	$1,197	7	$171	$21,357	64	$334
Jefferson	$7,244,322	1,982	$3,655	$6,595,429	1,867	$3,533	$5,351,018	1,974	$2,711
Kiowa	$25,880	3	$8,627	$1,991	6	$332	$1,030	10	$103
Kit Carson	$312,380	94	$3,323	$57,979	263	$220	$4,422	28	$158
Lake	$71,063	22	$3,230	$19,071	93	$205	$41,710	90	$463
La Plata	$1,739,272	359	$4,845	$885,635	551	$1,607	$1,733,339	855	$2,027
Larimer	$1,413,709	1,387	$1,019	$1,209,725	1,542	$785	$1,511,883	2,311	$654
Las Animas	$6,665	25	$267	$10,716	36	$298	$5,872	24	$245
Lincoln	$18,251	29	$629	$30,429	19	$1,602	$3,066	43	$71
Logan	$88,907	33	$2,694	$10,034	29	$346	$659,918	91	$7,252
Mesa	$719,143	228	$3,154	$184,150	281	$655	$341,920	366	$934
Mineral	$15	1	$15	$696	4	$174	$59	3	$20
Moffat	$36,464	125	$292	$218,173	510	$428	$68,484	50	$1,370
Montezuma	$269,507	161	$1,674	$219,728	334	$658	$85,288	154	$554
Montrose	$152,405	125	$1,219	$65,673	78	$842	$99,072	84	$1,179
Morgan	$51,146	20	$2,557	$10,662	23	$464	$565,224	33	$17,128
Otero	$8,976	23	$390	$10,839	21	$516	$52,780	60	$880
Ouray	$15,882	19	$836	$185,148	66	$2,805	$82,802	31	$2,671
Park	$60,361	560	$108	$84,878	355	$239	$192,954	1,268	$152
Phillips	$4,574	12	$381	$357	4	$89	$1,476	6	$246
Pitkin	$485,027	123	$3,943	$240,001	98	$2,449	$237,857	128	$1,858
Prowers	$11,873	43	$276	$686	17	$40	$1,825	32	$57
Pueblo	$968,974	201	$4,821	$233,174	276	$845	$196,264	311	$631
Rio Blanco	$99,614	56	$1,779	$127,267	60	$2,121	$7,656	62	$123
Rio Grande	$16,258	57	$285	$134,194	57	$2,354	$9,678	48	$202
Routt	$313,430	187	$1,676	$321,807	373	$863	$215,576	304	$709
Saguache	$2,178	13	$168	$10,302	40	$258	$44,873	673	$67
San Juan	$361	2	$181	$1,936	3	$645	$95	1	$95
San Miguel	$72,418	39	$1,857	$112,586	198	$569	$121,842	89	$1,369
Sedgwick	$7,713	21	$367	$1,969	5	$394	$3,072	7	$439
Summit	$406,847	380	$1,071	$465,628	233	$1,998	$307,447	376	$818
Teller	$104,531	64	$1,633	$84,483	63	$1,341	$57,044	57	$1,001
Washington	$1,230	19	$65	$697	13	$54	$6,050	14	$432
Weld	$815,284	627	$1,300	$1,215,689	1,068	$1,138	$1,812,001	1,459	$1,242
Yuma	$27,478	72	$382	$13,954	56	$249	$391,790	494	$793
Totals:	**$53,126,692**	**20,333**	**$2,613**	**$52,750,526**	**21,177**	**$2,491**	**$50,174,164**	**23,555**	**$2,130**

Information reported by treasurers for 2009, 2008 and 2007

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 constitution grants the Colorado General Assembly the authority to increase or decrease the amount of the senior and disabled veteran exemptions. For tax year 2009, 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 suspension, which did not affect the disabled veteran exemption, saved the state approximately $90 million. This was the second time that the General Assembly had enacted a suspension of the senior exemption benefit.

To qualify for the senior exemption, a qualifying 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 be 100 percent permanently disabled through a service connected disability and must have owned and occupied the property since January 1.

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 assessor is 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, and denies the exemptions on each property. In 2009, the Division denied exemptions on 14 properties owned by 8 applicants.

In 2009, 168,117 properties were approved for the senior citizen exemption, and 3,122 received the disabled veteran exemption. These figures were up from 163,619 senior exemptions and 1,977 disabled veteran exemptions for tax year 2008.

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 2010, the State Treasurer reimbursed local governments $1,335,704 for disabled veteran exemptions granted for tax year 2009.

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.

2009 PROPERTY TAX LEGISLATION

Senate Bills

SB 09-040
Concerning the regulation of manufactured homes.

This bill was initiated by the manufactured home task force in an attempt to clean up legislative changes accomplished by HB 08-1260. The changes made were based on concerns of county offices and industry about the movement, title changes, identification numbers, definitions, and other issues relating to manufactured homes.

Section 1 of the bill amends paragraph 30-10-406(3)(a), C.R.S., excepting the Verification of Application form as defined in subsection 38-29-102(13), C.R.S., from the margin requirements for documents filed with the clerk and recorder's office.

Section 2 amends subsection 30-10-409(2), C.R.S., excepting documents filed and recorded pursuant to section 38-29-205, C.R.S., from the requirement that they be endorsed by 5 p.m. the same day if received on or before 1 p.m. or by 5 p.m. the following day if received after 1 p.m. Documents received pursuant to section 38-29-205, C.R.S., shall be endorsed by the clerk and recorder within three business days. This refers to documents concerning manufactured homes.

Section 3 of the bill amends section 38-29-107, C.R.S., with the addition of subsections (2) and (3), which specify the application requirements for obtaining a manufactured home title when the manufactured home is affixed to the ground. The application for a Certificate of Title shall be submitted to the Director of the Department of Revenue on a form provided by the Director, and it shall include the following documents.

- For a manufactured home that was permanently affixed to the ground prior to July 1, 2008, and for which a Certificate of Permanent Location was not filed and recorded, subsection 38-29-107(2), C.R.S., states that the application shall include: an Affidavit of Real Property, a verification of the identification number produced in accordance with paragraph 38-29-122(3)(a), C.R.S., a Certificate of Removal, and a copy of all deeds recorded since the home was affixed to the ground.

- For a manufactured home affixed to the ground after July 1, 2008, and for which a Certificate of Permanent Location was filed and recorded, paragraph 38-29-107(3)(a), C.R.S., states that the application shall include: a copy of the recorded Certificate of Permanent Location, a Certificate of Removal, a verification of the identification number produced in accordance with paragraph 38-29-122(3)(a), C.R.S., and a copy of all deeds recorded since the home was affixed to the ground.

- For a manufactured home that was affixed to the ground after July 1, 2008, pursuant to a long-term lease with an express term of at least 10 years, paragraph 38-29-107(3)(b), C.R.S., states that the application shall include: a copy of the recorded Certificate of Permanent Location, a verification of the identification number produced in accordance with paragraph 38-29-122(3)(a), C.R.S., and copy of the recorded long-term lease.

Section 4 of the bill amends section 38-29-119, C.R.S., regarding the process by which an owner may bond for title.

Subsection 38-29-119(1), C.R.S., is amended to specify the documents that must accompany an application for a Certificate of Title when the manufactured home has been abandoned by a prior owner on the applicant's real property. The bill requires that the applicant provide the following evidence of his or her right to receive a Certificate of Title: a copy of an order or judgment for possession obtained through a civil eviction proceeding, proof of ownership of the real property, and proof of efforts to notify the prior owner of the potential issuance of a new title or movement of the manufactured home.

Subsection 38-29-119(2), C.R.S., is amended with the addition of paragraph (b), which specifies that surety for a manufactured home that is at least 25 years old is not required if the owner provides proof that all property taxes are paid, provides a verification of the identification number, and files a title application.

Section 5 amends section 38-29-122, C.R.S., with the addition of a new subsection (3), regarding the inspection and verification of a manufactured home identification number, and when necessary, the assignment of a new number. Paragraph 38-29-122(3)(a), C.R.S., authorizes the Department of Revenue to designate qualified VIN inspectors and allows an inspector to charge a reasonable fee for an inspection. An inspector shall verify the following: the identification number, the make, the year of manufacture, and any other information required by the department. If the inspector determines that the identification number has been removed, changed, altered, or obliterated, the owner shall request that the department assign an identification number pursuant to section 38-29-123, C.R.S. Paragraph 38-29-122(3)(b), C.R.S., states that a designated inspector may be: an authorized agent as defined in subsection 38-29-102(1), C.R.S., a person designated by an authorized agent, a Colorado law enforcement officer, a person registered to sell manufactured homes, or a county assessor.

Section 6 amends section 38-29-123, C.R.S., by adding that a new identification number can be assigned by the department to a manufactured home when the original number is missing or has been destroyed. The new number must be affixed to the home in either the door frame, fuse box, or as determined by the department. The assigned number is the identification number under which a Certificate of Title may be issued. If the manufactured home is permanently affixed to the ground, the owner shall file for recording with the county clerk and recorder the form on which the new number was issued.

Section 7 amends subsection 38-29-133(1), C.R.S., to state that an extension made to an authorized agent does not need to be notarized if it is made under the penalties of perjury in the second degree as defined in section 18-8-503, C.R.S.

Subsection 38-29-133(2), C.R.S., is also amended by adding language which defines that upon receipt of a mortgage extension on a manufactured home, the authorized agent shall complete a record of the extension and shall issue a new Certificate of Title on which the extension is noted. If a mortgage noted on the Certificate of Title has not been released or extended after its maturity date, the owner of the manufactured home may request that any references to the mortgages shown on the records of the authorized agent be removed, and upon request, the authorized agent shall remove such references.

Section 8 amends paragraph 38-29-201(2)(a), C.R.S., by removing Bill of Sale from the list of documents that must be recorded prior to the issuance of a Certificate of Title for a new manufactured home.

The bill also amends section 38-29-201, C.R.S., with the addition of a new subsection (3), which states that a Verification of Application form must comply with the federal "Driver's Privacy Protection Act of 1994."

Section 9 amends paragraphs 38-29-202 (1)(b) and (c), C.R.S., to specify requirements that pertain to the filing of a Certificate of Permanent Location for a manufactured home that occupies real property subject to a long-term lease of at least 10 years. When the certificate is filed with the authorized agent of the county pursuant to an application for purging the title pursuant to subsections 38-29-112(1.5) or 38-29-118(2), C.R.S., or when it is filed for recording pursuant to subsections 38-29-114(2) or 38-29-117(6), C.R.S., a copy of the lease must be filed along with the Certificate of Permanent Location.

This section also amends subsection 38-29-202(2), C.R.S., to list additional requirements for the Certificate of Permanent Location form. Paragraph (i) is amended, clarifying that the verification concerns whether the home is permanently affixed to the ground rather than on a permanent foundation. Paragraph (l) is amended to specify that the statement found on the certificate under which any owners of the manufactured home who are not owners of the real property relinquish their ownership of the manufactured home, shall not apply when the home will occupy land subject to a long-term lease of at least 10 years.

The bill amends section 38-29-202, C.R.S., with the addition of a new subsection (l.5), which requires that the Certificate of Permanent Location for a manufactured home that occupies real property subject to a long-term lease of at least 10 years, include a statement that the owners of the real property and manufactured home consent to the affixation of the manufactured home to the

land. It also requires an acknowledgement that, upon such affixation and upon the filing and recording of the Certificate of Permanent Location, the manufactured home will become a part of the real property, subject to the reversion of the manufactured home to the owners of the home upon termination of the long-term lease.

Section 10 amends section 38-29-203, C.R.S., by adding a new subsection (2.5), regarding the eviction of a tenant by a landlord for a manufactured home subject to a long-term lease of at least 10 years. The manufactured home can be removed from its permanent location without the owner first filing a Certificate of Removal if, within twenty days after removal, the landlord files a Certificate of Removal accompanied by a copy of the Notice of Judgment or Order for Possession allowing the eviction of the home and the address to which the home has been moved. The landlord shall file the Certificate of Removal and additional information with the authorized agent for the county.

Section 11 amends subsection 38-29-208(1), C.R.S., to clarify that any person can prove that a manufactured home and the land upon which it has been permanently affixed is real property by filing and recording the Affidavit of Real Property in the county in which the manufactured home is located.

Section 11 also amends section 38-29-208, C.R.S., with the addition of a new subsection (2), which concerns manufactured homes that are located on land subject to long-term lease of at least 10 years. For such properties, the Affidavit of Real Property shall be filed for recording along with a copy of the long-term lease and a statement from the county treasurer that the taxes have been paid separately on the manufactured home and the land upon which it is affixed.

Section 12 amends subsections 39-1-102(7.7), (7.8), (8), (14.3), C.R.S., and creates a new subsection (8.3), which define or redefine the terms "manufactured home," "mobile home," and "modular home," for property tax purposes. The definition of "mobile home," now located in subsection 39-1-102(8), C.R.S., is based on the definition found in paragraph 42-1-102(106)(b), C.R.S.

Section 13 amends subsection 39-14-101(1.5), C.R.S., to clarify that the term "conveyance" includes the transfer of an interest in a "manufactured home." The bill amends subsection 39-14-101(4), C.R.S., by eliminating the reference to a previously repealed statute and adding a reference to subsection 39-1-102(7.8), C.R.S.

Section 14 amends paragraph 39-14-103(1)(a), C.R.S., concerning the Manufactured Home Transfer Declaration. On or after July 1, 2009, a Manufactured Home Transfer Declaration shall accompany an application for a Certificate of Title only when the application is submitted pursuant to a conveyance.

Signed by Lt. Governor O'Brien: March 9, 2009
Effective Date: July 1, 2009

SB 09-042

Concerning the administration of the exempt status of property for property tax purposes.

This bill accomplishes four things related to the exemption of property from the property tax:

1. Broadens the definition of property overseen by the Property Tax Administrator (Administrator) that qualifies for an exemption to include property owned by organizations created to take advantage of the federal New Markets Income Tax Credit or Rehabilitation Tax Credits provided the property is operated by a nonprofit entity that would otherwise qualify for exemption.

2. Creates a payment in lieu of tax to be paid by property owners when property qualifies for exemption because it is funded through New Markets Tax Credits or Rehabilitation Tax Credits. This payment is to replace the tax that would have been paid to the school district total program had the property remained taxable.

3. Eliminates the directive that the Property Tax Administrator shall require owners of certain exempt residential properties to provide financial reports on their operations and tax returns from all their residents claimed to qualify for exemption. The Administrator may still collect that information if necessary but it is no longer required.

4. Requires the Property Tax Administrator to provide a list of pending applications for property tax exemptions annually to county assessors, treasurers, and boards of commissioners.

Section 1 amends subsection 39-1-102(8.5), C.R.S., to read that property ownership shall be deemed to have met the requirements of this subsection if: the property is owned by a nonprofit corporation or association whose property is irrevocably dedicated to charitable religious, or school purposes and no portion if its assets will inure to the benefit of any private person upon the liquidation, dissolution, or abandonment of such corporation or association; or

The operator of the property is a nonprofit entity that would otherwise qualify for property tax exemption under article 3 of this title and is a general partner or member of the owner and the property is owned by:

An entity organized for the purpose of obtaining tax credits through the federal New Markets Tax Credit Program or the Rehabilitation Tax Credit Program and is eligible for credits; and an entity that makes payments in lieu of property taxes pursuant to section 39-3-114.5, C.R.S. This will apply to applications for exemption filed on or after January 1, 2009, or that are pending on that date.

Section 2 amends paragraph 39-2-117 (1)(a), C.R.S., by adding a new subparagraph (III), which states that no later than June 1 of each year, the Administrator shall provide the assessor, treasurer, and board of county commissioners of each county a list of all pending property tax exemption applications.

Section 3 amends article 3, title 39 by adding a new section 114.5., titled "Charitable exemption-owner claiming federal tax credit – fee in lieu of school district tax."

Whenever an entity organized for the purpose of obtaining tax credits through the federal New Markets Tax Credit Program or the Rehabilitation Tax Credit Program is granted an exemption, the entity shall pay annually to the treasurer of the county in which the property is located a payment in lieu of taxes, which payment shall not exceed the amount of taxes that would be due for total program for the school district in which the property is located if the interest were taxable. Each year during the regular tax assessment period, the board of county commissioners shall provide to each entity that holds such real property interest the following information in the same manner as such information is provided to any other owner of real property in a county:

- The current assessed value of the real property interest expressed in dollars;
- The amount of the payment in lieu of taxes due on the real property interest based on the value and tax rate levied for total program for the school district in which the property is located that would be applicable to the real property interest if it were taxable;
- The date the payment in lieu of taxes is due for such real property interest based on the date property taxes within the county are due.

The treasurer of each county that receives a payment in lieu of taxes pursuant to this section shall pay to the appropriate school district the total payment deducting any costs incurred in administering this payment.

Each school district that receives a payment in lieu of taxes pursuant to this section shall certify the amount paid or received to the State Board of Education.

Section 4 amends section 39-3-114, C.R.S., by changing the "*shall*" statements to "*may*" statements in that:

"..the administrator *may* require the owner or operator of such property to annually submit a complete financial report on its operations and *may* require any occupants whose residential units are claimed to qualify for such exemption to submit copies of their federal or state income tax returns."

Section 5 amends subsections 39-3-137(2) and (3), C.R.S., by deleting "pursuant to section 39-9-109" and adding language which allows the Property Tax Administrator to reestablish tax-exempt status when authorized by the State Board of Equalization.

Section 6 amends paragraph 22-54-115(1)(a), C.R.S., by adding language establishing that the payment for the distribution of state funds to a school district will be adjusted by the certification of any

payments in lieu of taxes received by a school district.

Signed by Governor Ritter: April 22, 2009
Effective Date: August 5, 2009

SB 09-085
Concerning the creation of a legislative task force to study a property tax exemption for business personal property.

Section 1 of the bill amends article 2, title 2, C.R.S., by adding a new part 15, which creates a legislative task force on business personal property tax. It directs the task force to hold a minimum of six meetings public meetings and authorizes the task force to make legislative recommendations to the General Assembly no later than November 1, 2009. The task force is specifically prohibited from being staffed by Legislative Council staff and the office of Legislative Legal Services.

The task force is composed of the following:
- five members from the Senate,
  - three appointed by the President of the Senate,
  - two appointed by the Senate Minority Leader
- five members from the House of Representatives
  - three appointed by the Speaker of the House,
  - two appointed by the House Minority Leader
- the Property Tax Administrator,
- a representative of the Colorado Municipal League;
- a representative of Colorado Counties Inc;
- a member of a local chamber of commerce, appointed by the Governor;
- a small business representative, appointed by the Governor;
- a large business representative, appointed by the Governor
- a member of the public with expertise in tax policy, appointed by the Governor.

The task force may examine, but need not limit its consideration to, the following issues:
- business personal property tax exemptions that eliminate or phase out the tax;
- an analysis of the fiscal impact of the personal property exemptions on state and local governments; and
- methods to reimburse local governments for revenue lost as a result of the business personal property exemptions.

Signed by Governor Ritter: June 4, 2009
Effective Date: Upon signature.
Repeal Date: July 1, 2010

SB 09-105
Concerning removal of the statutory limit on the amount that may be raised in a single year by a special property tax levied by a board of county commissioners for the purpose of fighting specified types of fires in a county.

Current law allows counties, with voter approval, to impose a special property tax to generate funding for the purpose of fighting both forest and prairie fires. The tax cannot exceed one mill ($1 per $1,000 of taxable value) or $500,000 per year, whichever is less.

The bill deletes a portion of section 30-10-513, C.R.S., to remove the mill levy limit and allow counties to impose any tax level approved by voters.

Signed by Governor Ritter: April 30, 2009
Effective Date: Upon signature.

SB 09-177
Concerning the valuation of new solar energy facilities for the purpose of property taxation.

This bill specifies that for purposes of property taxation, solar energy facilities that were first placed in production on or after January 1, 2009, and that generate more than two megawatts of energy to the interconnection meter, must be valued based solely on the income approach.

Section 1 of the bill amends paragraph 39-4-101(3)(a), C.R.S, by adding "solar energy facility" where appropriate. The bill also creates a new subsection (3.5) that defines "solar energy facility."

Section 2 of the bill amends portions of section 39-4-102, C.R.S., by adding the terms "solar energy facility" and "solar energy devices" to the existing language. The bill establishes that the methodology used to determine the actual value of a solar energy facility is the same methodology used to value a wind energy facility.

Section 3 of the bill amends paragraph 39-5-104.7(1)(b), C.R.S., by adding "solar energy facilities" where appropriate.

Signed by Governor Ritter: April 22, 2009
Effective Date: Upon signature
NOTE: For property tax purposes, the bill is effective for new solar energy facilities fist placed in production on or after January 1, 2009.

SB 09-276

Concerning the property tax exemption for qualifying seniors, and, in connection therewith, lowering for a specified property tax year the maximum amount of actual value of the primary owner-occupied residence of a qualifying senior that is partly exempt from property taxation, and making an appropriation in connection therewith.

The bill eliminates the senior exemption benefit for tax year 2009, payable in 2010. The disabled veteran exemption remains in place. (As originally introduced the bill would have eliminated both the senior and disabled veteran exemptions for tax years 2009 and 2010.)

Section 1 of the bill amends section 39-3-203, C.R.S., by reducing for one year the property tax exemption for a senior citizen's primary residence to fifty percent of $0 in actual value. For tax years 2010 and beyond, the exemption returns to fifty percent of the first $200,000.

Signed by Governor Ritter: June 4, 2009
Effective Date: Upon signature
NOTE: Affects 2009 property taxes due in 2010

House Bills

HB 09-1005

Concerning the authority of a special district to establish special improvement districts within the boundaries of the special district.

This bill allows a special district to establish a special improvement district within its boundaries to finance the cost of any improvements that the special district is authorized to finance.

Section 1 of the bill amends subsection 32-1-1101(1), C.R.S., by adding a new paragraph (g) that allows a special district to establish special improvement districts within the boundaries of the special district and the authority to levy special assessments on properties that will receive a direct benefit from the improvements.

Section 2 of the bill amends article 1, title 32, C.R.S., by adding a new section 1101.7, titled "Establishment of special improvement districts within the boundaries of a special district." In order to establish a special improvement district, the power to levy assessments must be authorized in the special district's service plan or statement of purposes or be approved by the county or municipality that approved the special district's service plan or accepted the district's statement of purposes.

If the special improvement district is established, the assessment must be levied on a frontage, area, zone, or other equitable basis upon voter approval of a majority of the eligible electors within the special improvement district or with the written consent of 100 percent of the owners of the property to be assessed.

The method of creating a special improvement district, levying, and collecting the assessments, and making the improvements, shall be provided in part 5, article 25, title 31, C.R.S., subject to some duties as noted in this new section.

Signed by Governor Ritter: April, 2, 2009
Effective Date: Upon signature

HB 09-1034

Concerning authorization for a Regional Transportation Authority to impose a property tax.

This bill permits Regional Transportation Authorities (RTAs) to impose a property tax of up to five mills, if approved by voters. RTAs are formed by two or more local governments to finance, construct, operate, and maintain regional transportation systems. Prior to this legislation, RTAs were only authorized to issue bonds to be repaid through several means, including motor vehicle registration fees, sales and use taxes, and visitor benefit taxes. Their primary source of funding has been through sales and use taxes.

The creation of RTAs, and the imposition of any new taxes, must be approved by voters within the proposed authority's boundaries. Currently, there are five organized/operating RTAs in the state.

- Roaring Fork Transportation Authority (Eagle, Garfield, Pitkin)
- Gunnison Valley Transportation Authority (Gunnison)
- Pikes Peak Rural Transportation Authority (El Paso)
- Baptist Road Rural Transportation Authority (El Paso)
- South Platte Valley Regional Transportation Authority (Logan)

Section 1 of the bill amends subsection 43-4-605(1), C.R.S., by adding a new paragraph (j.5) that allows a Regional Transportation Authority to impose a uniform mill levy of up to five mills on all taxable property within the territory of the authority. This power to impose a uniform mill levy is repealed as of January 1, 2019.

NOTE: In counties where RTAs are currently operating (those listed above), the assessor must certify values to the appropriate authorities in August and December 2009. It may be necessary to contact the RTAs to obtain boundary information in order to accurately certify values. Contact information for the RTAs can be found on the Division of Local Government's website at: www.dola.colorado.gov/dlg/local_governments/Docs/lg_type_list.pdf.

A newly-formed RTA may levy a property tax for the calendar year in which it is organized only if, prior to July 1, the assessor and the board of county commissioners are notified of the organization. In addition, prior to July 1, the RTA must provide a map and legal description of the authority's boundaries along with official notice that a tax will be levied, subsection 39-1-110(1), C.R.S.

Signed by Governor Ritter: April, 16, 2009
Effective Date: August 5, 2009

HB 09-1110

Concerning information required to be provided to the county assessor upon request in connection with any advertisement for the rental of furnished residential real property within the state.

Under current law, personal property that is used to furnish residential rental property is subject to property taxation. However, many advertisements for the rental of furnished residential properties do not provide the assessor with sufficient information to identify to whom personal property declaration schedules should be sent. This bill expands existing law by requiring the owner of furnished residential rental property or an agent of the owner who advertises the property for rent to provide the assessor with information that identifies the rental property by address and by the owner's name.

The bill also restricts the assessor from levying property taxes for prior years on omitted personal property that is subsequently reported by the owner or the owner's agent.

Section 1 of the bill amends article 5, title 39, C.R.S., with the addition of a new section 108.5, which restates existing duties of the assessor and establishes a new personal property discovery mechanism.

New subsection (1) restates existing requirements regarding the assessor's duty to discover and assess taxable personal property, and the personal property owner's duty to annually complete a personal property declaration schedule. Subsection (1) also sets forth the reasoning behind the bill.

New subsection (2) authorizes the assessor to, no more than twice per year, request identifying information from the owner of furnished residential rental property or an agent of the owner who advertises the property for rent.
New subsection (3) defines an "agent" as a real estate broker, a property management company, a lodging company, an internet

website listing service, a print-based listing service, or any other person that advertises furnished residential real property for rent on behalf of the property owner in exchange for compensation.

Section 2 of the bill amends section 39-5-125, C.R.S., by adding a new subsection (3), which prohibits the assessor from levying property taxes on omitted personal property that is discovered when such information is reported by the owner or the owner's agent under the provisions of section 39-5-108.5, C.R.S.

Signed by Governor Ritter: April 22, 2009
Effective Date: August 5, 2009

HB 09-1161
Concerning a reduction in the time to provide written documentation supporting an oil and gas valuation statement.

This bill reduces the time that an oil and gas operator or owner has to submit written documentation supporting a valuation statement to a county assessor from 45 to 30 days.

Section 1 amends paragraph 39-7-101(3)(a), C.R.S., changing the time to supply written documentation to the assessor from 45 days to 30 days after either the date of the postmark on the assessor's written request for such documentation or the date by which an owner or operator is required to file a statement pursuant to subsection (1) of this section, whichever is later.

Signed by Governor Ritter: March 20, 2009
Effective Date: August 5, 2009

HB 09-1203
Concerning the reclassification of Montezuma County.

This bill reclassifies Montezuma County from a class four county to a class three county for the purposes of fixing fees and establishing salaries for elected county officials.

Section 1 amends paragraphs 30-1-101(1)(c) and (1)(d), C.R.S., changing the categorization of Montezuma County from Category IV to Category III for the purpose of fixing fees of the county and other officers.
Section 2 amends paragraphs 30-1-102(1)(c) and (1)(d), C.R.S., changing the categorization of Montezuma County from Category IV to Category III for the purpose of establishing salaries of county officers.

Signed by Governor Ritter: April 3, 2009
Effective Date: August 5, 2009
NOTE: Section 39-2-102(3)(e), C.R.S., states in part, "No elected officer shall have his compensation increased or decreased during the term of office to which he has been elected or appointed…."

HB 09-1260
Concerning Designated Beneficiary Agreements.

This bill allows two unmarried adults to enter into a designated beneficiary agreement for the purpose of ensuring that each person has certain rights and financial protections. The bill expands existing laws related to health care, medical emergencies, incapacity, death, and the administration of decedent's estates to include rights, benefits and protections of a designated beneficiary when no valid or enforceable estate planning document exists.

The creation of a Beneficiary Agreement by two parties can affect certain rights concerning real property; however, the changes set forth by this bill do not change the actions of the assessor. The language concerning the ability to hold property as joint tenants was already established under statute and does not provide additional rights. The ability of the parties to inherit property when the decedent died intestate is an expansion of the Colorado probate law. The filing of a Beneficiary Agreement would be used in the administration of the decedent's estate; the agreement alone does not change real or personal property ownership.

The below summary focuses only on the portion of the bill that is of interest to assessors.

Section 1 adds a new article 22 to title 15: Designated Beneficiary Agreements. Section15-22-105(3)(a) through (l), C.R.S., address the multiple rights and protections available to the parties of a designated beneficiary agreement. Paragraph (a) entitles parties to a designated beneficiary agreement with the right to acquire, hold title to, own jointly, or transfer inter vivos or at death real or personal property as joint tenants with the right of survivorship or as tenants in common. Paragraph (b) entitles the right to be designated as a beneficiary, payee, or owner as a trustee named in an

inter vivos or testamentary trust for the purposes of a non-probate transfer on death. The remaining paragraphs entitle parties of a designated beneficiary agreement with rights and protections related to retirement benefits, insurance policies, medical issues, inheritances, legal standing, etc.

Subsection15-22-106(1), C.R.S., illustrates the statutory form of a designated beneficiary agreement. Of all of the rights that may be granted or withheld, only the first two items, as referenced in paragraphs15-22-105(3)(a) and (b) above, affect the operations of the assessor's office.

Subsections 15-22-107 through 109, C.R.S., set forth the requirements for recording a designated beneficiary agreement, clarify the effect a designated beneficiary agreement has on other legal documents, and explain the affirmation of validity of a designated beneficiary agreement, respectively.

Section 15-22-110, C.R.S., provides immunity from civil liability or administrative discipline for a third party who relies on the affirmation of the existence of a valid designated beneficiary agreement.

Section 15-22-111, C.R.S., provides the procedures and the form that must be recorded to revoke a designated beneficiary agreement. The designated beneficiary agreement is also deemed to be revoked upon the marriage of either party.

Subsection 15-22-112(1), C.R.S., declares that a designated beneficiary agreement is terminated upon the death of either of the parties.

Sections 2-19 affect conforming amendments and additions to section 8-41-501, sections 10-16-102 and 105, section 12-34-109, section 13-21-201, sections15-11-103, 106, and 114, section 15-12-203, sections 15-14-310 and 413, sections 15-18.5-103 and 104, sections 15-19-103 and 106, section 25-1-120, and section 30-10-406, C.R.S.

Signed by Governor Ritter: April 9, 2009
Effective Date: July 1, 2009

HB 09-1265

Concerning a two-year limitation on abatement interest awarded to a nonprofit entity that has not qualified for tax exemption due to an error made by the nonprofit entity.

This bill provides counties and all property tax entities a two year period for which a nonprofit entity may be awarded a refund of interest (at 12 percent), whereas current law provides no such limitation.

Section 1 amends subsection 39-10-114(1), C.R.S., with the addition of a new paragraph (c), which concerns the interest paid on abatements for a nonprofit entity. If a county, the Board of Assessment Appeals, a court of competent jurisdiction, or the Property Tax Administrator determines that a property is exempt from taxation and finds competent evidence that the property became or remained subject to taxation as a result of an error or omission made by the taxpayer, then the county, Board of Assessment Appeals, court of competent jurisdiction, or the Property Tax Administrator may award refund interest or any other type of interest for not greater than two property tax years. The interest rate is the same as that provided in section 39-10-104.5, C.R.S.

Signed by Governor Ritter: March 20, 2009
Effective Date: August 5, 2009

HB 09-1316

Concerning public dissemination of personal information of a person working in the criminal justice system.

This bill expands existing law concerning the posting of personal information on the Internet. Under section 18-9-313, C.R.S., posting the personal information of a law enforcement official may be considered a class one misdemeanor, punishable through the courts.

Section 1 of the bill amends section 18-9-313, C.R.S., by replacing "peace officer" with "law enforcement official."

Subsection 18-9-313(1), C.R.S., is amended with the addition of a new paragraph (a.5), which defines "law enforcement official," as a peace officer as described in section 16-2.5-101, C.R.S., a judge as defined in subsection 18-8-615(3), C.R.S., or a prosecutor.

The bill amends the definition of personal information in paragraph 18-9-313(1)(b), C.R.S., to include a personal mobile

telephone number and personal e-mail address to the definition.

Subsection 18-9-313(2), C.R.S., which states that it is unlawful for a person to knowingly make personal information available on the internet, is amended to include law enforcement officials or the official's immediate family member.

Signed by Governor Ritter: May 21, 2009
Effective Date: Upon signature

HB 09-1360

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

Section 1 of the bill amends subsection 39-1-104.2(3), C.R.S., by adding a new paragraph (l), which states that the residential target percentage is 46.82 percent, and the residential assessment rate will remain at 7.96 percent for tax years 2009 and 2010.

Signed by Governor Ritter: June 1, 2009
Effective Date: Upon signature

HB 09-1365

Concerning modifications to the property tax exemption for certain property leased by governmental entities that use the property for governmental purposes.

Under current law (established by HB 08-1395), property that is leased for at least a one-year term by the state, a political subdivision of the state, or a state-supported institution of higher education is exempt from property taxation. The lessee is required to provide the assessor a copy of the lease (including subleases).

This bill clarifies that the rent due by the state, political subdivision, or state-supported institution of higher education shall be reduced by an amount equal to that of the property tax exemption. The bill also directs the assessor to notify the landlord upon receipt of a lease agreement between the landlord and the state, a political subdivision, or a state-supported institution of higher education.

Section 1 of the bill amends subparagraph 39-3-124(1)(b)(I), C.R.S., by the addition of sub-subparagraphs (B) through (E) which delineate the following:

- Rent due by the state, a political subdivision, or a state-supported institution of higher education pursuant to the terms of the lease agreement shall be reduced by an amount equal to the property tax exemption.
- The assessor will send a notice to the landlord upon receipt of a lease agreement between the landlord and the state, a political subdivision, or a state-supported institution of higher education which identifies the property, the property address, and the parties to the lease agreement.
- Real property taxes payable by non-state, non-political subdivision, or non-state-supported institution of higher education tenants are considered to be taxes paid by the property owner or landlord.
- Only a state, political subdivision, or state-supported institution of higher education tenant shall receive any benefit related to its property tax-exempt status.

NOTE: Legislative Legal Services indicated that this subsection of the bill is effective upon signing. Governor Ritter signed this bill on June 1, 2009. Assessors only need to send this notice for leases received after June 1, 2009. However, nothing in this law prevents assessors from sending this notice for leases received prior to June 1, 2009, as a courtesy.

Signed by Governor Ritter: June 1, 2009
Effective Date: Upon