

JBC STAFF FISCAL ANALYSIS HOUSE APPROPRIATIONS COMMITTEE

CONCERNING A REDUCTION IN THE VALUATION FOR ASSESSMENT OF QUALIFIED-SENIOR PRIMARY RESIDENCE REAL PROPERTY.

Prime Sponsors: Sens. Kolker and Hansen
Reps. Lieder and Young

JBC Analyst: Andrea Uhl
Phone: 303-866-4956
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Appropriation Items of Note

Appropriation Not Required, No Amendment in Packet

TABOR Impact

Significant Cost Increase in Second Year

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/25/24.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
	None.

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2024-25.

Points to Consider

TABOR/ Excess State Revenues Impact

The bill does not change the amount required to be refunded under TABOR but will shift the amount

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refunded through various refund mechanisms. The bill includes offsetting changes to TABOR refund mechanisms of \$34.1 million in FY 2025-26 and \$43.3 million in FY 2026-27. These amounts that would otherwise be refunded via the six-tier sales tax refund mechanism will instead be refunded via property tax reductions, paid through reimbursements to local governments for reduced property tax collections. A forecast of TABOR revenue is not available beyond FY 2025-26. For future years when the state does not refund a TABOR surplus, the bill increases General Fund expenditures to reimburse local governments for exempted property taxes and reduces the amount of General Fund that would otherwise be available.

Future Fiscal Impact

The bill requires an appropriation of \$151,832 General Fund in FY 2025-26 and \$54,642 in FY 2026-27 and ongoing to the Department of Local Affairs.