

**JBC STAFF FISCAL ANALYSIS  
SENATE 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

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**Appropriation Items of Note**

**Appropriation Not Required, No Amendment in Packet**

**TABOR Impact**

**Fiscal Impact of Bill as Amended to Date**

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 02/22/24.

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

The Senate Finance Committee Report (02/27/24) includes amendments to the bill that modify how the subtraction to assessed value is calculated. The Legislative Council Staff Fiscal Note (attached) dated 02/22/24 estimates that \$66.4 million and \$75.6 million will be refunded through the property tax subtraction created in the introduced version of the bill in FY 2025-26 and FY 2026-27, respectively. The amendments in the Senate Finance Committee Report change these numbers to \$65.8 million and \$75.0 million. Legislative Council Staff and JBC Staff agree that the committee amendments do not otherwise change 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 refunded through various refund mechanisms. The bill, as amended by the Senate Finance Committee Report, includes offsetting changes to TABOR refund mechanisms of \$65.8 million in FY 2025-26 and \$75.0 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.