

## CHAPTER 3

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**TAXATION**

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**HOUSE BILL 95-1045**

BY REPRESENTATIVES Musgrave, Anderson, Epps, Martin, Paschall, Schwarz, and Tool;  
also SENATORS Wattenberg, Alexander, Schroeder, and Tebedo.

**AN ACT****CONCERNING ANNUAL PROPERTY TAX REAPPRAISALS.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** 39-1-104 (10.2) (c) and (10.3), Colorado Revised Statutes, 1994 Repl. Vol., are repealed as follows:

**39-1-104. Valuation for assessment.** (10.2) (c) ~~During the years 1995 and 1996 in preparation for implementation in the year 1997, the respective assessors shall conduct revaluations of all taxable property utilizing the level of value for the period of one and one-half years immediately prior to July 1, 1996, and the manuals and associated data published for said period by the administrator and approved by the advisory committee to the administrator; except that, if comparable valuation data is not available from such one-and-one-half-year period to adequately determine the level of value of a class of property, the period of five years immediately prior to July 1, 1996, shall be utilized to determine the level of value. Said level of value shall be adjusted to the final day of the data-gathering period.~~

(10.3) (a) ~~Except as otherwise provided in subsection (12) of this section, beginning with the property tax year which commences January 1, 1997, at the beginning of each property tax year, the level of value to be used during the year in the determination of actual value in real property in any county of the state as reflected in the abstract of assessment for each property tax year shall advance by one year over what was used in the previous property tax year; except that the level of value to be used for the property tax year 1997 shall be the level of value for the period of one and one-half years immediately prior to July 1, 1996; except that, if~~

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

~~comparable valuation data is not available from such one-and-one-half-year period to adequately determine the level of value for a class of property, the period of five years immediately prior to July 1, 1996, shall be utilized to determine the level of value. Said level of value shall be adjusted to the final day of the data-gathering period.~~

~~(b) During each property tax year in preparation for implementation in the succeeding property tax year, the respective assessors shall conduct revaluations of all taxable real property utilizing the level of value for the period which will be used to determine actual value in such succeeding property tax year and the manuals and associated data published for the period which will be used to determine actual value in such succeeding property tax year.~~

~~(c) For the purposes of this article and article 9 of this title, "level of value" means the actual value of taxable real property as ascertained by the applicable factors enumerated in section 39-1-103(5) for the one-and-one-half-year period immediately prior to July 1 immediately preceding the assessment date for which the administrator is required by this article to publish manuals and associated data; except that, if comparable valuation data is not available from such one-and-one-half-year period to adequately determine such actual value for a class of property, "level of value" means the actual value of taxable real property as ascertained by said applicable factors for the five-year period immediately prior to July 1 immediately preceding the assessment date. Said level of value shall be adjusted to the final day of the data-gathering period.~~

**SECTION 2.** 39-1-103 (8) (a) (I), Colorado Revised Statutes, 1994 Repl. Vol., is amended to read:

**39-1-103. Actual value determined - when.** (8) In any case in which sales prices of comparable properties within any class or subclass are utilized when considering the market approach to appraisal in the determination of actual value of any taxable property, the following limitations and conditions shall apply:

(a) (I) Use of the market approach shall require a representative body of sales sufficient to set a pattern, and appraisals shall reflect due consideration of the degree of comparability of sales, including the extent of similarities and dissimilarities among properties ~~which~~ THAT are compared for assessment purposes. In order to obtain a reasonable sample and to reduce sudden price changes or fluctuations, all sales shall be included in the sample ~~which~~ THAT reasonably reflect a true or typical sales price during the period specified in section 39-1-104 (10.2). ~~or (10.3), whichever is applicable.~~ Sales of personal property exempt pursuant to the provisions of sections 39-3-102, 39-3-103, and 39-3-119 to 39-3-122 shall not be included in any such sample.

**SECTION 3.** 39-4-102 (3) (b), Colorado Revised Statutes, 1994 Repl. Vol., is amended to read:

**39-4-102. Valuation of public utilities.** (3) (b) For property tax years commencing on or after January 1, 1987, there shall be applied to the actual value of each public utility an equalization factor to adjust the actual value for the current year of assessment as determined by the administrator pursuant to subsections (1) and (2)

of this section to the public utility's level of value in the appropriate year ~~which~~ THAT is prescribed in section 39-1-104 (10.2) ~~or (10.3), whichever is applicable;~~ and ~~which~~ THAT is used to determine the actual value of properties ~~which~~ THAT are subject to said applicable subsection.

**SECTION 4.** 39-5-203 (1), Colorado Revised Statutes, 1994 Repl. Vol., is amended to read:

**39-5-203. Mobile homes - determination of value.** (1) For the property tax year beginning January 1, 1983, and for each property tax year thereafter, the actual value of a mobile home shall be determined by the assessor in accordance with the provisions of sections 39-1-103 (5) and 39-1-104 ~~(10.3)~~ (10.2) for the determination of the actual value of real property.

**SECTION 5.** 39-1-104.1, Colorado Revised Statutes, 1994 Repl. Vol., is repealed as follows:

**39-1-104.1. Implementation costs - annual revaluation.** ~~During the 1988 session, the general assembly shall consider making an appropriation of state moneys for the 1988-89 fiscal year to reimburse counties for the actual and reasonable costs of implementing section 39-1-104 (10.3) for the property tax year 1989 and, in addition, shall consider alternative methods of funding the costs of annual assessments. The amount of actual and reasonable costs of such implementation shall be estimated by the state board of equalization and the legislative council after verifying reports by counties estimating the amount of such costs for each county. The state board of equalization shall report its estimate to the general assembly by March 15, 1988. Any appropriations made pursuant to the provisions of this section shall be made to the state board of equalization to be used to reimburse counties for such actual and reasonable costs incurred in said implementation. The legislative council shall evaluate alternative methods of funding the costs of annual assessments and shall report its findings to the general assembly not later than March 15, 1988.~~

**SECTION 6. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: March 9, 1995