

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

SB24-033 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, 29-1-301, **amend**
4 (1)(a) as follows:

5 **29-1-301. Levies reduced - limitation.** (1) (a) All statutory tax
6 levies for collection in 1989 and thereafter when applied to the total
7 valuation for assessment of the state, each of the counties, cities, and
8 towns not chartered as home rule except as provided in this subsection
9 (1), and each of the fire, sanitation, irrigation, drainage, conservancy, and
10 other special districts established by law shall be so reduced as to prohibit
11 the levying of a greater amount of revenue than was levied in the
12 preceding year plus five and one-half percent plus the amount of revenue
13 abated or refunded by the taxing entity by August 1 of the current year
14 less the amount of revenue received by the taxing entity by August 1 of
15 the current year as taxes paid on any taxable property that had previously
16 been omitted from the assessment roll of any year, except to provide for
17 the payment of bonds and interest thereon, for the payment of any
18 contractual obligation that has been approved by a majority of the
19 qualified electors of the taxing entity, for the payment of expenses
20 incurred in the reappraisal of classes or subclasses ordered by or
21 conducted by the state board of equalization, for the payment to the state
22 of excess state equalization payments to school districts which excess is
23 due to the undervaluation of taxable property, or for the payment of
24 capital expenditures as provided in subsection (1.2) of this section. For
25 purposes of this subsection (1), the amount of revenues received as taxes
26 paid on any taxable property that had been previously omitted from the
27 assessment roll ~~shall~~ DOES not include the amount of such revenues
28 received as taxes paid on oil and gas leaseholds and lands that had been
29 previously omitted from the assessment roll due to underreporting of the
30 selling price or the quantity of oil or gas sold therefrom. In computing the
31 limit, the following shall be excluded: The increased valuation for
32 assessment attributable to annexation or inclusion of additional land, the
33 improvements thereon, and personal property connected therewith within
34 the taxing entity for the preceding year; the increased valuation for
35 assessment attributable to new construction and personal property
36 connected therewith, as defined by the property tax administrator in
37 manuals prepared pursuant to section 39-2-109 (1)(e) ~~C.R.S.~~, within the
38 taxing entity for the preceding year; the increased valuation for
39 assessment attributable to increased volume of production for the
40 preceding year by a producing mine if ~~said~~ THE mine is wholly or partially

1 within the taxing entity and if ~~said~~ THE increase in volume of production
2 causes an increase in the level of services provided by the taxing entity;
3 ~~and~~ the increased valuation for assessment attributable to previously
4 legally exempt federal property which becomes taxable if such property
5 causes an increase in the level of services provided by the taxing entity;
6 AND THE INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO
7 PROPERTIES THAT ARE LEASED OR AVAILABLE FOR LEASE FOR SHORT-TERM
8 STAYS THAT PREVIOUSLY WERE CLASSIFIED AND TAXED AS RESIDENTIAL
9 REAL PROPERTY AND DUE TO A CHANGE IN LAW ARE CLASSIFIED IN A
10 MANNER THAT APPLIES AN ASSESSMENT RATE FOR CLASSIFICATIONS OF
11 PROPERTY OTHER THAN ANY TYPE OF RESIDENTIAL REAL PROPERTY IF
12 SUCH PROPERTY, IN THE EXPERT OPINION OF THE TAXING ENTITY, CAUSES
13 AN INCREASE IN THE LEVEL OF SERVICES PROVIDED BY THE TAXING
14 ENTITY.

15 **SECTION 2.** In Colorado Revised Statutes, 39-1-102, **amend**
16 (5.5)(a) and (5.5)(b) introductory portion; and **add** (5.5)(a.5) as follows:

17 **39-1-102. Definitions.** As used in articles 1 to 13 of this title 39,
18 unless the context otherwise requires:

19 (5.5) (a) "Hotels and motels" means improvements and the land
20 associated with such improvements that are used by a business
21 establishment primarily to provide lodging, camping, or personal care or
22 health facilities to the general public and that are predominantly used on
23 an overnight or weekly basis. ~~except that "hotels and motels" does not~~
24 ~~include:~~

25 ~~(I) A residential unit, except for a residential unit that is a hotel~~
26 ~~unit;~~

27 ~~(II) A residential unit that would otherwise be classified as a hotel~~
28 ~~unit if the residential unit is held as inventory by a developer primarily for~~
29 ~~sale to customers in the ordinary course of the developer's trade or~~
30 ~~business, is marketed for sale by the developer, and either has been held~~
31 ~~by the developer for less than two years since the certificate of occupancy~~
32 ~~for the residential unit has been issued or is not depreciated under the~~
33 ~~internal revenue code, as defined in section 39-22-103 (5.3), while owned~~
34 ~~by the developer; or~~

35 ~~(III) A residential unit that would otherwise be classified as a~~
36 ~~hotel unit if the residential unit has been acquired by a lender or an~~
37 ~~owners' association through foreclosure, a deed in lieu of foreclosure, or~~
38 ~~a similar transaction, is marketed for sale by the lender or owners'~~
39 ~~association and is not depreciated under the internal revenue code, as~~
40 ~~defined in section 39-22-103 (5.3), while owned by the lender or owners'~~
41 ~~association.~~

42 ~~(IV) Repealed.~~

43 (a.5) BEFORE JANUARY 1, 2025, AND FOR PROPERTIES THAT HAVE
44 NOT BEEN CLASSIFIED AS A RESIDENTIAL UNIT PURSUANT TO THIS
45 SUBSECTION (5.5) PRIOR TO JANUARY 1, 2025, "HOTELS AND MOTELS"

1 DOES NOT INCLUDE:

2 (I) A RESIDENTIAL UNIT, EXCEPT FOR A RESIDENTIAL UNIT THAT IS

3 A HOTEL UNIT;

4 (II) A RESIDENTIAL UNIT THAT WOULD OTHERWISE BE CLASSIFIED

5 AS A HOTEL UNIT IF THE RESIDENTIAL UNIT IS HELD AS INVENTORY BY A

6 DEVELOPER PRIMARILY FOR SALE TO CUSTOMERS IN THE ORDINARY

7 COURSE OF THE DEVELOPER'S TRADE OR BUSINESS, IS MARKETING FOR SALE

8 BY THE DEVELOPER, AND EITHER HAS BEEN HELD BY THE DEVELOPER FOR

9 LESS THAN TWO YEARS SINCE THE CERTIFICATE OF OCCUPANCY FOR THE

10 RESIDENTIAL UNIT OR IS NOT DEPRECIATED UNDER THE INTERNAL

11 REVENUE CODE, AS DEFINED IN SECTION 39-22-103 (5.3), WHILE OWNED BY

12 THE DEVELOPER; OR

13 (III) A RESIDENTIAL UNIT THAT WOULD OTHERWISE BE CLASSIFIED

14 AS A HOTEL UNIT IF THE RESIDENTIAL UNIT HAS BEEN ACQUIRED BY A

15 LENDER OR AN OWNERS' ASSOCIATION THROUGH FORECLOSURE, A DEED IN

16 LIEU OF FORECLOSURE, OR A SIMILAR TRANSACTION, IS MARKETING FOR

17 SALE BY THE LENDER OR OWNERS' ASSOCIATION AND IS NOT DEPRECIATED

18 UNDER THE INTERNAL REVENUE CODE, AS DEFINED IN SECTION 39-22-103

19 (5.3), WHILE OWNED BY THE LENDER OR OWNERS' ASSOCIATION.

20 (b) BEFORE JANUARY 1, 2025, AND FOR PROPERTIES THAT HAVE

21 NOT BEEN CLASSIFIED AS A RESIDENTIAL UNIT PURSUANT TO THIS

22 SUBSECTION (5.5) PRIOR TO JANUARY 1, 2025, IF ANY TIME SHARE ESTATE,

23 TIME SHARE USE PERIOD, UNDIVIDED INTEREST, OR OTHER PARTIAL OWNERSHIP

24 INTEREST IN ANY HOTEL UNIT IS OWNED BY ANY NON-HOTEL UNIT OWNER, THEN,

25 UNLESS A DECLARATION OR OTHER EXPRESS AGREEMENT BINDING ON THE NON-HOTEL

26 UNIT OWNERS AND THE HOTEL UNIT OWNERS PROVIDES OTHERWISE:

27 **SECTION 3.** In Colorado Revised Statutes, 39-2-109, **add** (3) as

28 follows:

29 **39-2-109. Duties, powers, and authority - definitions - repeal.**

30 (3) (a) AS USED IN THIS SUBSECTION (3), UNLESS THE CONTEXT

31 OTHERWISE REQUIRES:

32 (I) "LOCAL GOVERNMENT" MEANS A MUNICIPALITY, A CITY AND

33 COUNTY, OR A COUNTY.

34 (II) "SHORT-TERM STAY" MEANS OVERNIGHT LODGING THAT IS

35 PROVIDED FOR OCCUPANCY FOR LESS THAN THIRTY CONSECUTIVE NIGHTS

36 IN EXCHANGE FOR MONETARY PAYMENT.

37 (III) "THIRD-PARTY ENTITY" MEANS AN ENTITY THAT:

38 (A) IS A PRIVATE CORPORATION, A NOT-FOR-PROFIT

39 ORGANIZATION, OR AN INSTITUTION OF HIGHER EDUCATION;

40 (B) HAS DEMONSTRATED EXPERTISE IN EXAMINING TAX POLICY

41 AND THE ECONOMICS RELATED TO IT;

42 (C) HAS EXPERIENCE EXECUTING IMPACT FEE STUDIES; AND

43 (D) CAN CONDUCT THE STUDY IN AN UNBIASED MANNER AND DOES

44 NOT HAVE A KNOWN CONFLICT OF INTEREST REGARDING THE SUBJECT

45 MATTER OF THE STUDY THAT MAY INTERFERE WITH ITS ABILITY TO

1 PRODUCE AN OBJECTIVE REPORT.

2 (b) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3)(c)(IV)

3 OF THIS SECTION, ON OR BEFORE SEPTEMBER 1, 2024, THE ADMINISTRATOR

4 SHALL CONTRACT WITH ONE OR MORE THIRD-PARTY ENTITIES TO CONDUCT

5 A STUDY AND PRODUCE A REPORT CONCERNING SHORT-TERM STAY RENTAL

6 PROPERTIES IN THE STATE. AT A MINIMUM, THE STUDY MUST:

7 (A) USE BEST AVAILABLE DATA TO DETERMINE THE NUMBER OF

8 NIGHTS IN THE PRECEDING YEAR THAT PROPERTIES WERE LEASED OR

9 AVAILABLE FOR LEASE FOR SHORT-TERM STAYS;

10 (B) ANALYZE QUANTIFIABLE IMPACTS OF SHORT-TERM STAY

11 RENTAL ACTIVITY ON THE DEMANDS FOR LOCAL GOVERNMENT SERVICES,

12 INCLUDING FOR FIRE AND EMERGENCY SERVICES, ROADS, TRANSIT, PUBLIC

13 SAFETY, PUBLIC WORKS, AND HUMAN SERVICES;

14 (C) ANALYZE THE NEXUS BETWEEN TRENDS IN SHORT-TERM STAY

15 RENTAL UTILIZATION AND THE INFRASTRUCTURE NECESSARY TO SUPPORT

16 THE UTILIZATION;

17 (D) ANALYZE THE IMPACTS OF SHORT-TERM STAY RENTAL

18 ACTIVITY ON THE LABOR MARKET, TOURISM, AND HOUSING STOCK

19 AVAILABILITY, INCLUDING WORK FORCE HOUSING;

20 (E) ANALYZE DATA ON SHORT-TERM RENTAL OWNERSHIP,

21 INCLUDING BY PRIVATE CORPORATIONS OR LIMITED LIABILITY

22 CORPORATIONS, AND PRIMARY RESIDENCE LOCATIONS OF INDIVIDUALS

23 OWNING ONE OR MORE SHORT-TERM RENTAL PROPERTIES IN THE STATE;

24 (F) EXAMINE CASE STUDIES INVOLVING LOCAL GOVERNMENTS IN

25 THE STATE REGARDING ALLOWANCE OR DISALLOWANCE OF SHORT-TERM

26 STAY RENTAL PROPERTIES AND ADOPTION OF REGULATIONS CONCERNING

27 SHORT-TERM STAY RENTAL PROPERTIES;

28 (G) EXAMINE THE IMPACT OF RECENT MUNICIPAL VOTER

29 APPROVED SHORT-TERM RENTAL EXCISE TAXES ON THE SHORT-TERM

30 RENTAL INDUSTRY IN THOSE JURISDICTIONS, INCLUDING THE NUMBER AND

31 TYPE OF SHORT-TERM RENTAL LISTINGS AND CHANGES TO THE TOTAL

32 NIGHTS SHORT-TERM RENTALS WERE RENTED PER YEAR WITHIN THE

33 JURISDICTION;

34 (H) REVIEW HOW MUCH LOCAL GOVERNMENTS COLLECT FROM THE

35 INDUSTRY THROUGH REGULATIONS CONCERNING SHORT-TERM STAY

36 RENTAL PROPERTIES;

37 (I) EXAMINE EXISTING TAX MECHANISMS REGARDING SHORT-TERM

38 STAY RENTAL PROPERTIES IN THE STATE AND IN OTHER JURISDICTIONS;

39 (J) ANALYZE TAX POLICY CONSIDERATIONS REGARDING

40 PROPERTIES LEASED OR AVAILABLE FOR LEASE FOR SHORT-TERM STAYS

41 INCLUDING RECLASSIFICATION, EXCISE TAXES, IMPACT FEES, REAL ESTATE

42 TRANSFER FEES, AND VACANT HOME CLASSIFICATION;

43 (K) ANALYZE REGULATORY POLICY CONSIDERATIONS REGARDING

44 PROPERTIES LEASED OR AVAILABLE FOR LEASE FOR SHORT-TERM STAYS

45 INCLUDING CAPS ON THE NUMBER OF SHORT-TERM STAY RENTAL

1 PROPERTIES ALLOWED WITHIN A JURISDICTION, DENSITY LIMITS, LIMITS ON
2 THE NUMBERS OF RENTERS AND NIGHTS RENTED, AND SEASONAL LIMITS;
3 (L) EXAMINE WHAT DATA TOOLS OR FINANCIAL SUPPORT WOULD
4 BE NECESSARY TO IMPLEMENT TAX POLICIES STUDIED; AND
5 (M) EXAMINE THE IMPACTS OF THE TAX POLICIES STUDIED ON THE
6 OWNERS OF SHORT-TERM STAY RENTAL PROPERTIES OR BUSINESSES
7 ENGAGED IN THE SHORT-TERM STAY RENTAL INDUSTRY.
8 (II) LOCAL GOVERNMENTS AND STATE AGENCIES SHALL PROVIDE
9 DATA THAT IS NECESSARY TO COMPLETE THE STUDY SET FORTH IN
10 SUBSECTION (3)(b)(I) OF THIS SECTION UPON REQUEST OF THE
11 ADMINISTRATOR OR A THIRD-PARTY ENTITY CONTRACTED FOR THE STUDY
12 AND REPORT IN ACCORDANCE WITH THIS SUBSECTION (3)(b).
13 (III) AT THE CONCLUSION OF THE STUDY AND NOT LATER THAN BY
14 JANUARY 31, 2025, THE ADMINISTRATOR SHALL SUBMIT A REPORT TO THE
15 HOUSE OF REPRESENTATIVES FINANCE COMMITTEE AND THE SENATE
16 FINANCE COMMITTEE, OR THEIR SUCCESSOR COMMITTEES, WHICH MUCH
17 INCLUDE THE FOLLOWING:
18 (A) A DESCRIPTION OF THE STUDY'S METHODOLOGIES;
19 (B) THE MAJOR FINDINGS OF THE STUDY;
20 (C) ANY OTHER IMPORTANT INFORMATION OR BACKGROUND
21 REGARDING SHORT-TERM STAY RENTAL PROPERTIES; AND
22 (D) RECOMMENDATIONS REGARDING TAX POLICIES FOR
23 PROPERTIES THAT ARE LEASED OR AVAILABLE FOR LEASE FOR SHORT-TERM
24 STAYS.
25 (c) (I) THE TOTAL COST OF CONTRACTING WITH ONE OR MORE
26 THIRD-PARTY CONTRACTORS FOR THE STUDY AND REPORT REQUIRED
27 PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION SHALL NOT EXCEED
28 TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS.
29 (II) THE ADMINISTRATOR IS NOT REQUIRED TO SECURE FUNDS FOR
30 THE COST OF CONTRACTING FOR THE STUDY AND REPORT REQUIRED
31 PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION, BUT THE
32 ADMINISTRATOR MAY ACCEPT AND EXPEND GIFTS, GRANTS, OR IN-KIND
33 DONATIONS FROM PUBLIC OR PRIVATE SOURCES FOR THE PURPOSES OF THIS
34 SUBSECTION (3).
35 (III) THE GIFTS, GRANTS, AND IN-KIND DONATIONS RECEIVED
36 PURSUANT TO THIS SUBSECTION (3)(c) MUST COVER ALL BUT TWENTY-FIVE
37 THOUSAND DOLLARS OF THE TOTAL COST OF CONTRACTING WITH ONE OR
38 MORE THIRD-PARTY CONTRACTORS FOR THE STUDY AND REPORT REQUIRED
39 PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION.
40 (IV) IF THERE IS INSUFFICIENT MONEY TO COVER THE TOTAL COST
41 OF CONTRACTING WITH ONE OR MORE THIRD-PARTY CONTRACTORS FOR A
42 STUDY AND REPORT AS REQUIRED PURSUANT TO SUBSECTION (3)(b) OF
43 THIS SECTION BY SEPTEMBER 1, 2024, THEN THE ADMINISTRATOR IS NOT
44 REQUIRED TO DO SO AND SHALL RETURN TO EACH GRANTOR OR DONOR
45 MONEY FROM GIFTS, GRANTS, AND IN-KIND DONATIONS RECEIVED

1 PURSUANT TO THIS SUBSECTION (3)(c)(IV).

2 (d) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2025.

3 **SECTION 4. Safety clause.** The general assembly finds,
4 determines, and declares that this act is necessary for the immediate
5 preservation of the public peace, health, or safety or for appropriations for
6 the support and maintenance of the departments of the state and state
7 institutions."

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