

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 26-0218.01 Rebecca Bayetti x4348

SENATE BILL 26-010

SENATE SPONSORSHIP

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A BILL FOR AN ACT

101 **CONCERNING CLARIFICATION OF DEFINITIONS USED IN CONNECTION**
102 **WITH THE TAXATION OF AGRICULTURAL PROPERTY.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Water Resources and Agriculture Review Committee. The bill broadens the definition of "ranch" for purposes of property taxation to mean a parcel of land that is predominantly used for grazing livestock for the primary purpose of obtaining a monetary profit. A ranch must operate through a pasture-based operation, which is newly defined as a method of livestock management where pasture-grazed livestock have regular

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

SENATE
3rd Reading Unamended
February 3, 2026

SENATE
2nd Reading Unamended
February 2, 2026

access to open pasture and derive a majority of their diet through grazing.

The bill also broadens the definition of "farm" for purposes of property taxation to mirror the predominant use language in the definition of "ranch". With this change, a farm means a parcel of land that is predominantly used to produce agricultural products that originate from the land's productivity for the primary purpose of obtaining a monetary profit.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) In Colorado, since at least 1967, the classification of property
5 as agricultural land has helped support agriculture producers through
6 reductions in property tax obligations;

7 (b) Under current law, enacted in 1983, the classification applies
8 to land that is used for grazing livestock or producing agricultural
9 products;

10 (c) Rising land prices make it difficult for producers to purchase
11 large tracts of land. As a result, entry into agriculture is increasingly
12 occurring through smaller-scale operations, which are more financially
13 feasible.

14 (d) Smaller farms and ranches are using pasture-based operations
15 to produce agricultural products for profit, including pasturing livestock
16 like chickens and pigs, to meet consumer demands for locally sourced
17 food, support their agricultural businesses, supply food to other small
18 businesses, and generate significant economic activity locally and
19 statewide.

20 (2) Therefore, it is in the best interest of the state and is the
21 intention of the general assembly that the classification of agricultural
22 property extend to producers that predominantly use their land to produce

1 agricultural products and predominantly pasture their land to graze
2 livestock, which will save these producers money, encourage more
3 agricultural activity, and benefit the economy of local communities and
4 of the state.

5 **SECTION 2.** In Colorado Revised Statutes, 39-1-102, **amend**
6 (3.5) and (13.5) as follows:

7 **39-1-102. Definitions.**

8 As used in articles 1 to 13 of this title 39, unless the context
9 otherwise requires:

10 (3.5) "Farm" means a parcel of land ~~which~~ THAT is
11 PREDOMINANTLY used to produce agricultural products that originate from
12 the land's productivity for the primary purpose of obtaining a monetary
13 profit.

14 (13.5) (a) "Ranch" means a parcel of land ~~which~~ THAT is
15 PREDOMINANTLY used for grazing livestock for the primary purpose of
16 obtaining a monetary profit THROUGH A PASTURE-BASED OPERATION.

17 (b) For the purposes of this subsection (13.5):

18 (I) "Livestock" means domestic animals ~~which~~ THAT are used for
19 food for human or animal consumption, breeding, draft, or profit; AND

20 (II) "PASTURE-BASED OPERATION" MEANS A METHOD OF
21 LIVESTOCK MANAGEMENT WHERE PASTURE-GRAZED LIVESTOCK HAVE
22 REGULAR ACCESS TO OPEN PASTURE AND DERIVE A MAJORITY OF THEIR
23 DIET THROUGH GRAZING.

24 **SECTION 3. Act subject to petition - effective date -**
25 **applicability.** (1) This act takes effect January 1, 2027; except that, if a
26 referendum petition is filed pursuant to section 1 (3) of article V of the
27 state constitution against this act or an item, section, or part of this act

1 within the ninety-day period after final adjournment of the general
2 assembly, then the act, item, section, or part will not take effect unless
3 approved by the people at the general election to be held in November
4 2026 and, in such case, will take effect January 1, 2027, or on the date of
5 the official declaration of the vote thereon by the governor, whichever is
6 later.

7 (2) This act applies to property tax years commencing on or after
8 the applicable effective date of this act.