

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

**INTRODUCED**

LLS NO. 26-0524.01 Rebecca Bayetti x4348

**HOUSE BILL 26-1209**

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**HOUSE SPONSORSHIP**

**Suckla,**

**SENATE SPONSORSHIP**

**(None),**

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**House Committees**

Transportation, Housing & Local Government

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING A TEMPORARY DECREASE IN THE STATUTORY LIMITS ON**  
102              **THE AMOUNT OF PROPERTY TAX REVENUE THAT A TAXING**  
103              **ENTITY IS ALLOWED TO RAISE.**

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**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>.)*

Current law restricts the annual amount of property tax revenue that a local government or a special district may collect to the amount of property tax revenue collected in the previous year plus 5.5%, with certain adjustments. This statutory limit does not apply to school districts or home rule municipalities. The limit may be waived by voter approval

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.

of the voters of the taxing entity (waived jurisdictions).

Current law also restricts the annual amount of property tax revenue that a waived jurisdiction may collect to the greatest amount of qualified property tax revenue collected by the taxing entity in a previous property tax year increased by 5.25% multiplied by the number of property tax years in a reassessment cycle. Similarly, the annual amount of property tax revenue that a school district may collect is limited to the greatest amount of the local share of statewide total program property tax revenue collected by a school district in a previous property tax year increased by the greater of 6% multiplied by the number of property tax years in a reassessment cycle or the sum of the percentage by which the general assembly annually increases the statewide base per pupil funding for public education from kindergarten through twelfth grade and the percentage increase in pupil enrollment for both the relevant property tax year and the other property tax year in the same reassessment cycle. Both of these statutory property tax revenue limits may also be waived by voters, except that individual school districts are not able to locally waive their individual property tax limits and, instead, must seek statewide voter approval to waive the school district limit.

The bill temporarily reduces the operative percentage adjustments in these 3 statutory property tax revenue limits to 4% for property tax years beginning on or after January 1, 2027, but before January 1, 2033.

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

2 **SECTION 1.** In Colorado Revised Statutes, 29-1-301, **amend**  
3 (1)(a) and (1)(b); and **add** (1)(a.5) and (7) as follows:

4 **29-1-301. Levies reduced - limitation - repeal.**

5 (1) (a) EXCEPT AS PROVIDED IN SUBSECTION (1)(a.5) OF THIS  
6 SECTION, all statutory tax levies for collection in 1989 and thereafter  
7 when applied to the total valuation for assessment of the state, each of the  
8 counties, cities, and towns not chartered as home rule except as provided  
9 in this subsection (1), and each of the fire, sanitation, irrigation, drainage,  
10 conservancy, and other special districts established by law shall be so  
11 reduced as to prohibit the levying of a greater amount of revenue than  
12 was levied in the preceding year plus five and one-half percent plus the  
13 amount of revenue abated or refunded by the taxing entity by August 1 of

1 the current year less the amount of revenue received by the taxing entity  
2 by August 1 of the current year as taxes paid on any taxable property that  
3 had previously been omitted from the assessment roll of any year, except  
4 to provide for the payment of bonds and interest thereon, for the payment  
5 of any contractual obligation that has been approved by a majority of the  
6 qualified electors of the taxing entity, for the payment of expenses  
7 incurred in the reappraisal of classes or subclasses ordered by or  
8 conducted by the state board of equalization, for the payment to the state  
9 of excess state equalization payments to school districts which excess is  
10 due to the undervaluation of taxable property, or for the payment of  
11 capital expenditures as provided in subsection (1.2) of this section. For  
12 purposes of this subsection (1), the amount of revenues received as taxes  
13 paid on any taxable property that had been previously omitted from the  
14 assessment roll shall not include the amount of such revenues received as  
15 taxes paid on oil and gas leaseholds and lands that had been previously  
16 omitted from the assessment roll due to underreporting of the selling price  
17 or the quantity of oil or gas sold therefrom. In computing the limit, the  
18 following shall be excluded: The increased valuation for assessment  
19 attributable to annexation or inclusion of additional land, the  
20 improvements thereon, and personal property connected therewith within  
21 the taxing entity for the preceding year; the increased valuation for  
22 assessment attributable to new construction and personal property  
23 connected therewith, as defined by the property tax administrator in  
24 manuals prepared pursuant to section 39-2-109 (1)(e), ~~C.R.S.~~, within the  
25 taxing entity for the preceding year; the increased valuation for  
26 assessment attributable to increased volume of production for the  
27 preceding year by a producing mine if said mine is wholly or partially

1 within the taxing entity and if said 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 (a.5) (I) AS APPLIED TO STATUTORY TAX LEVIES FOR COLLECTION  
7 IN PROPERTY TAX YEARS BEGINNING ON OR AFTER JANUARY 1, 2027, BUT  
8 BEFORE JANUARY 1, 2033, THE FIVE AND ONE-HALF PERCENT GROWTH  
9 LIMIT ESTABLISHED IN SUBSECTION (1)(a) OF THIS SECTION IS REDUCED TO  
10 FOUR PERCENT FOR PURPOSES OF THE CALCULATION REQUIRED BY THIS  
11 SECTION.

12 (II) THIS SUBSECTION (1)(a.5) IS REPEALED, EFFECTIVE JULY 1,  
13 2037.

14 (b) For property tax years beginning on or after January 1, 1991,  
15 any taxing entity may apply to the division of local government in the  
16 department of local affairs for authorization to exclude the following  
17 from the computation of the ~~limitation set forth in paragraph (a) of this~~  
18 ~~subsection (1)~~ LIMITATIONS SET FORTH IN SUBSECTION (1)(a) OR (1)(a.5)  
19 OF THIS SECTION: All or any portion of the increased valuation for  
20 assessment attributable to new primary oil or gas production for the  
21 preceding year from any producing oil and gas leasehold or land if such  
22 oil and gas leasehold or land is wholly or partially within the taxing entity  
23 and if such new primary oil or gas production has caused or will cause an  
24 increase in the level of services provided by the taxing entity.

25 (7) (a) NOTWITHSTANDING ANY PROVISION OF THIS PART 3 TO THE  
26 CONTRARY, AN INCREASED LEVY ALLOWED PURSUANT TO SECTION  
27 29-1-302 OR AN EXISTING VOTER AUTHORIZATION TO EXCEED OR WAIVE

1 THE LIMITATIONS SET FORTH IN THIS SECTION APPLIES TO THE TEMPORARY  
2 LIMITATION SET FORTH IN SUBSECTION (1)(a.5) UNLESS OTHERWISE  
3 SPECIFIED IN THE QUESTION APPROVED BY THE VOTERS OR THE DIVISION  
4 OF LOCAL GOVERNMENT IN THE DEPARTMENT OF LOCAL AFFAIRS.

5 (b) THIS SUBSECTION (7) IS REPEALED, EFFECTIVE JULY 1, 2037.

6 **SECTION 2.** In Colorado Revised Statutes, 29-1-1703, **amend**  
7 (1.5)(c) and (4)(b)(I) as follows:

8 **29-1-1703. Property tax limit calculation - definitions - repeal.**

9 (1.5) As used in subsection (1) of this section and this subsection  
10 (1.5), unless the context otherwise requires:

11 (c) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION  
12 (1.5)(c)(II) OF THIS SECTION, "growth rate percentage" means five and  
13 twenty-five hundredths percent multiplied by the number of property tax  
14 years in the current reassessment cycle.

15 (II) (A) FOR PROPERTY TAX YEARS BEGINNING ON OR AFTER  
16 JANUARY 1, 2027, BUT BEFORE JANUARY 1, 2033, "GROWTH RATE  
17 PERCENTAGE" MEANS FOUR PERCENT MULTIPLIED BY THE NUMBER OF  
18 PROPERTY TAX YEARS IN THE CURRENT REASSESSMENT CYCLE.

19 (B) THIS SUBSECTION (1.5)(c)(II) IS REPEALED, EFFECTIVE JULY 1,  
20 2037.

21 (4) As used in subsection (3) of this section and this subsection  
22 (4), unless the context otherwise requires:

23 (b) "Growth rate percentage" means the greater of:

24 (I) (A) FOR PROPERTY TAX YEARS OTHER THAN THOSE YEARS  
25 BEGINNING ON OR AFTER JANUARY 1, 2027, BUT BEFORE JANUARY 1, 2033,  
26 six percent multiplied by the number of property tax years in the current  
27 reassessment cycle; or

1 (B) FOR PROPERTY TAX YEARS BEGINNING ON OR AFTER JANUARY  
2 1, 2027, BUT BEFORE JANUARY 1, 2033, FOUR PERCENT MULTIPLIED BY THE  
3 NUMBER OF PROPERTY TAX YEARS IN THE CURRENT REASSESSMENT CYCLE;  
4 OR

5 **SECTION 3.** In Colorado Revised Statutes, 29-1-1705, **add** (4)  
6 as follows:

7 **29-1-1705. Prior obligations not impaired - voter-approval of**  
8 **mill increases - disaster emergency spending - definitions - repeal.**

9 (4) (a) NOTWITHSTANDING ANY PROVISION OF THIS PART 17 TO  
10 THE CONTRARY, AN EXISTING VOTER AUTHORIZATION TO EXCEED OR  
11 WAIVE THE LIMITATIONS SET FORTH IN THIS PART 17 APPLIES TO THE  
12 TEMPORARY GROWTH RATE PERCENTAGES DESCRIBED IN SECTION  
13 29-1-1703 FOR PROPERTY TAX YEARS BEGINNING ON OR AFTER JANUARY  
14 1, 2027, BUT BEFORE JANUARY 1, 2033, UNLESS OTHERWISE SPECIFIED IN  
15 THE QUESTION APPROVED BY THE VOTERS.

16 (b) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE JULY 1, 2037.

17 **SECTION 4. Applicability.** This act applies to property tax years  
18 commencing on or after January 1, 2027.

19 **SECTION 5. Safety clause.** The general assembly finds,  
20 determines, and declares that this act is necessary for the immediate  
21 preservation of the public peace, health, or safety or for appropriations for  
22 the support and maintenance of the departments of the state and state  
23 institutions.