



Colorado
Legislative
Council
Staff

HB16-1145

FINAL
FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0598
Prime Sponsor(s): Rep. Lebsack
Sen. Tate

Date: June 15, 2016
Bill Status: Signed into Law
Fiscal Analyst: Anna Gerstle (303-866-4375)

BILL TOPIC: DOCUMENTARY FEE FOR RESIDENTIAL REAL PROPERTY

Summary of Legislation

The bill clarifies that the filing fee for a residential real property conveyance is calculated based on the total sales price, as listed on the conveyance document. If there is no amount listed, or the amount is less than \$500 and there is related documentation, then the total sales price on the declaration form is used to determine the filing fee.

The bill also stipulates that, for the purposes of determining a filing fee, a property is assumed to be residential property unless otherwise indicated as either commercial or industrial property. Filing fees for commercial or industrial conveyance documents are determined by the total sales price adjusted to account for other personal property included in the real estate transaction (personal property considerations).

Background

When transferring the legal title of property, a person files the conveyance document with the county clerk and recorder and pays a document filing fee if the price paid listed on the conveyance document exceeds \$500. Under current law, the filing fee for either residential and commercial property is calculated based on the total sales price listed on the conveyance document, adjusted for personal property considerations. However, not all counties uniformly adjust total sales price based on personal property considerations.

Local Government Impact

The bill standardizes practices for determining a filing fee across counties, which impacts the revenue to county clerk and recorders' offices. The amount and direction of the revenue change will vary between counties, as some counties currently deduct personal property when calculating a filing fee and others do not. The fiscal note assumes that the overall change in revenue and related expenditures will be neutral.

Effective Date

The bill was signed into law by the Governor on April 15, 2016, and applies to any fee imposed on documents recorded on or after July 1, 2016.

State and Local Government Contacts

Assessors
Local Affairs

Counties
Public Trustees

County Clerk and Recorders
Regulatory Agencies