



# Legislative Council Staff

## Research Note

Version: Senate Second  
Reading  
Date: 3/7/2017

### Bill Number

**Senate Bill 17-078**

### Sponsors

**Senator Gardner  
Representatives Melton and  
Van Winkle**

### Short Title

**Residential Storage  
Condominium Unit Property Tax**

### Research Analyst

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### Status

The bill is currently pending before the Senate on second reading. This research note reflects the bill as referred by the Senate Finance and Appropriations committees on January 26, 2017, and on March 7, 2017, respectively.

### Background

Most individual self-storage units in Colorado are rented rather than owned. In recent years, some storage units have been sold as condominiums, which are individually owned by a buyer or developer. While self-storage units are common throughout the state, self-storage condominiums are more common in urban areas than rural areas. Some self-storage condominiums are used to store residential personal property; however, under current law, self-storage condominiums are taxed as industrial or commercial property, not residential property.

In Colorado, property taxation is based on the assessed value of land, improvements, and certain personal property. Under current law, nonresidential property is assessed at 29 percent of its actual value. Based on the December 2016 Legislative Council Staff revenue forecast, the residential assessment rate is estimated to be 6.85 percent for tax years 2017 and 2018.

Similar bills were introduced in the last three legislative sessions: House Bill 16-1132, Senate Bill 15-227, and House Bill 14-1143. All were postponed indefinitely.

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## Senate Action

**Senate Finance Committee (January 26, 2017).** At the hearing, representatives from the City and County of Denver, the Colorado Assessors' Association, and the Colorado Municipal League testified in opposition to the bill. Representatives from the Residential Storage Condominium Owners of Colorado testified in support of the bill. The committee adopted amendment L.001, which changed the timing of the property tax reclassification to begin in tax year 2018 and made other technical changes. The committee referred the bill to the Senate Appropriations Committee, as amended.

**Senate Appropriations Committee (March 7, 2017).** The committee referred the bill to the Senate Committee of the Whole.