

**First Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO**

**REVISED**

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 23-1028.01 Zach Blaes x4348

**SENATE BILL 23-304**

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**SENATE SPONSORSHIP**

**Hansen and Fenberg,**

**HOUSE SPONSORSHIP**

**Marshall and Frizell,**

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**Senate Committees**  
Finance

**House Committees**  
Finance

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**A BILL FOR AN ACT**

101       **CONCERNING CHANGES TO PROPERTY TAX VALUATION PRACTICES,**  
102               **AND, IN CONNECTION THEREWITH, REQUIRING PROPERTY TAX**  
103               **ASSESSORS TO CONSIDER CERTAIN INFORMATION WHEN**  
104               **VALUING REAL PROPERTY, REQUIRING CERTAIN COUNTIES USE**  
105               **THE ALTERNATIVE PROTEST AND APPEAL PROCEDURE IN ANY**  
106               **YEAR OF GENERAL REASSESSMENT OF REAL PROPERTY THAT IS**  
107               **VALUED BIENNIALY, AND CLARIFYING THAT DATA THAT A**  
108               **PROPERTY TAX ASSESSOR IS REQUIRED TO PROVIDE AT THE**  
109               **REQUEST OF A TAXPAYER MUST INCLUDE CERTAIN**  
110               **INFORMATION.**

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HOUSE  
Amended 2nd Reading  
May 6, 2023

SENATE  
3rd Reading Unamended  
May 4, 2023

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does*

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  
2nd Reading Unamended  
May 3, 2023

*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>.)*

**Section 1** of the bill specifies that when a property tax assessor values real property, the property tax assessor must consider:

- The current use;
- Existing zoning and other governmental land use or environmental regulations and restrictions;
- Multi-year leases or other arrangements affecting the use of or income from real property;
- Easements and reservations of record; and
- Covenants, conditions, and restrictions of record.

Beginning January 1, 2024, **section 2** requires certain counties to use an alternative procedure to determine objections and protests of property tax valuations in any year of general reassessment of real property that is valued biennially.

Currently, at the request of a taxpayer, a property tax assessor is required to provide the taxpayer with certain data that the assessor used to determine the value of the taxpayer's property. **Section 3** clarifies that the data the assessor is required to provide must include the primary method and rates the assessor used to value the property.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-1-103, **amend**  
3 (5)(a) as follows:

4 **39-1-103. Actual value determined - when - legislative**  
5 **declaration.** (5) (a) All real and personal property shall be appraised and  
6 the actual value thereof for property tax purposes determined by the  
7 assessor of the county wherein such property is located. The actual value  
8 of such property, other than agricultural lands exclusive of building  
9 improvements thereon and other than residential real property and other  
10 than producing mines and lands or leaseholds producing oil or gas, shall  
11 be that value determined by appropriate consideration of the cost  
12 approach, the market approach, and the income approach to appraisal.

1 The assessor shall consider and document all elements of such approaches  
2 that are applicable prior to a determination of actual value. The actual  
3 value reflects the value of the fee simple estate. Despite any orders of the  
4 state board of equalization, no assessor shall arbitrarily increase the  
5 valuations for assessment of all parcels represented within the abstract of  
6 a county or within a class or subclass of parcels on that abstract by a  
7 common multiple in response to the order of said board. If an assessor is  
8 required, pursuant to the order of said board, to increase or decrease  
9 valuations for assessment, such changes shall be made only upon  
10 individual valuations for assessment of each and every parcel, using each  
11 of the approaches to appraisal specified in this subsection (5)(a), if  
12 applicable. The actual value of agricultural lands, exclusive of building  
13 improvements thereon, shall be determined by consideration of the  
14 earning or productive capacity of such lands during a reasonable period  
15 of time, capitalized at a rate of thirteen percent. Land that is valued as  
16 agricultural and that becomes subject to a perpetual conservation  
17 easement shall continue to be valued as agricultural notwithstanding its  
18 dedication for conservation purposes; except that, if any portion of such  
19 land is actually used for nonagricultural commercial or nonagricultural  
20 residential purposes, that portion shall be valued according to such use.  
21 Nothing in this subsection (5) shall be construed to require or permit the  
22 reclassification of agricultural land or improvements, including residential  
23 property, due solely to subjecting the land to a perpetual conservation  
24 easement. The actual value of residential real- property shall be  
25 determined solely by consideration of the market approach to appraisal.  
26 A gross rent multiplier may be considered as a unit of comparison within  
27 the market approach to appraisal. The valuation for assessment of

1 producing mines and of lands or leaseholds producing oil or gas shall be  
2 determined pursuant to articles 6 and 7 of this title 39. IN ESTABLISHING  
3 ACTUAL VALUE, AN ASSESSOR SHALL ALSO CONSIDER:

4 (I) CURRENT USE;

5 (II) EXISTING ZONING AND OTHER GOVERNMENTAL LAND USE OR  
6 ENVIRONMENTAL REGULATIONS AND RESTRICTIONS;

7 (III) FOR RENT-PRODUCING COMMERCIAL REAL PROPERTY,  
8 MULTI-YEAR LEASES AND THE INFORMATION SPECIFIED IN SECTION  
9 39-8-107 (5)(a)(I);

10 (IV) EASEMENTS OF RECORD; AND

11 (V) COVENANTS, CONDITIONS, AND RESTRICTIONS OF RECORD.

12 **SECTION 2.** In Colorado Revised Statutes, 39-5-122.7, **add** (4)  
13 as follows:

14 **39-5-122.7. Alternate protest and appeal procedure for**  
15 **specified counties.** (4) NOTWITHSTANDING SUBSECTION (1) OF THIS  
16 SECTION, BEGINNING JANUARY 1, 2024, COUNTIES WITH A POPULATION  
17 GREATER THAN THREE HUNDRED THOUSAND, AS DETERMINED PURSUANT  
18 TO THE MOST RECENTLY PUBLISHED POPULATION ESTIMATES FROM THE  
19 STATE DEMOGRAPHER APPOINTED BY THE EXECUTIVE DIRECTOR OF THE  
20 DEPARTMENT OF LOCAL AFFAIRS, SHALL IN ANY YEAR OF GENERAL  
21 REASSESSMENT OF REAL PROPERTY THAT IS VALUED BIENNIALLY BY AN  
22 ASSESSOR PURSUANT TO SECTION 39-1-104 (10.2) USE ~~THE~~ ALTERNATIVE  
23 PROTEST AND APPEAL PROCEDURE SPECIFIED IN SUBSECTION (1) OF THIS  
24 SECTION TO DETERMINE OBJECTIONS AND PROTESTS CONCERNING  
25 VALUATIONS OF TAXABLE PROPERTY. WHEN FOLLOWING ~~THE~~  
26 ALTERNATIVE PROTEST AND APPEAL PROCEDURE, ~~THE~~ ASSESSOR SHALL  
27 ISSUE ANY WRITTEN DETERMINATION REGARDING THE OBJECTION AND

1 PROTEST BY THE DATE SPECIFIED IN SECTION 39-5-122 (2).

2 **SECTION 3.** In Colorado Revised Statutes, 39-8-107, **amend** (3)  
3 as follows:

4 **39-8-107. Hearings on appeal.** (3) At the written request of any  
5 taxpayer or any agent of ~~such~~ A taxpayer and subject to ~~such~~  
6 confidentiality requirements as provided by law, the assessor shall, within  
7 three working days after receipt of ~~said~~ A request, make available to the  
8 taxpayer or agent the data used by the assessor in determining the actual  
9 value of any property owned by ~~such~~ A taxpayer. At the assessor's  
10 election, the assessor may either mail, fax, or send by electronic  
11 transmission to the address, phone number, or electronic address supplied  
12 by ~~said~~ A taxpayer or agent ~~such~~ ANY REQUESTED data. ~~Such data shall~~  
13 ~~include but shall not be limited to~~ THE ASSESSOR SHALL PROVIDE TO A  
14 TAXPAYER MAKING THE REQUEST the data derived from the declarations  
15 filed pursuant to the provisions of article 14 of this ~~title~~, TITLE 39, THE  
16 PRIMARY METHOD AND RATES USED TO VALUE THE PROPERTY, and ANY  
17 confidential data, provided that ~~such~~ THE confidential data ~~shall be~~ IS  
18 presented in such a manner that the source cannot be identified. Upon  
19 receipt of ~~such~~ THE request, the assessor shall notify the taxpayer or agent  
20 of the estimated cost of providing ~~such~~ THE information, payment of  
21 which shall be made prior to providing ~~such~~ THE information. Upon  
22 providing ~~such~~ THE information, the assessor may include a bill for the  
23 reasonable cost above the estimated cost and up to the statutory maximum  
24 which shall be due and payable upon receipt by the taxpayer or agent.

25 **SECTION 4. Act subject to petition - effective date.** This act  
26 takes effect at 12:01 a.m. on the day following the expiration of the  
27 ninety-day period after final adjournment of the general assembly; except

1 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
2 of the state constitution against this act or an item, section, or part of this  
3 act within such period, then the act, item, section, or part will not take  
4 effect unless approved by the people at the general election to be held in  
5 November 2024 and, in such case, will take effect on the date of the  
6 official declaration of the vote thereon by the governor.