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Fiscal Note

Drafting Number: LLS 24-0155 **Date:** January 25, 2024
Prime Sponsors: Sen. Roberts **Bill Status:** Senate Local Govt. & Housing
Rep. McCluskie; Frizell **Fiscal Analyst:** Emily Dohrman | 303-866-3687
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Bill Topic: **LOCAL GOVERNMENT PROPERTY TAX CREDITS REBATES**

Summary of Fiscal Impact: State Revenue State Transfer Local Government
 State Expenditure TABOR Refund Statutory Public Entity

The bill allows counties and municipalities to offer property tax credits and rebates to encourage improvements in areas of specific local concern. It minimally increases state workload, and may increase local government expenditures and reduce county and municipal property tax revenue to the extent that local governments choose to participate.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

The bill authorizes boards of county commissioners to offer county property tax credits or rebates as part of an incentive program to encourage improvements in areas of specific local concern related to the use of real property. Municipalities are authorized to offer an identical program with municipal property tax credits and rebates. The programs must be annually evaluated for effectiveness and may be renewed for up to one year only if the program is found to be effective. County programs may only allow credits or rebates that apply to the county's property tax, and municipal programs may only allow credits or rebates that apply to the municipality's property tax. School district and special district taxes are unaffected.

Expenditures

The bill will increase workload for the Department of Local Affairs to provide technical assistance to counties and municipalities considering implementation of incentive programs. The department is expected to be able to provide this assistance within existing appropriations.

Local Government

Impacts of the bill on local governments depend on the extent to which local governments implement the incentive programs authorized by the bill. For counties and municipalities that choose to participate, incentive programs will decrease property tax revenue due to credits and rebates and increase administrative costs to develop, implement, and evaluate such programs. Local governments that do not choose to implement an incentive program will not be impacted.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Counties	County Treasurers	Local Affairs
Municipalities		

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).