



"Allowing Temporary Reductions In Property Tax Due" (SB23-108)

Senator Mark Baisley

Representative Rose Pugliese & Representative Lisa Frizell

Summary: "The Bill allows a Local Government to provide temporary property tax relief through temporary property Tax Credits or Mill Levy reductions and later eliminate the (Tax) Credits or restore the Mill Levy. The Bill clarifies that a Local Government may temporarily reduce Property Taxes due by providing for Tax Credits or reducing the Mill Levy and later eliminate the Tax Credits or restore the Mill Levy."

"In order to effect a refund for any of the purposes set forth in section 20 of article X of the State Constitution, OR TO PROVIDE PROPERTY TAX RELIEF BY A TEMPORARY REDUCTION IN PROPERTY TAXES DUE, any Local Government may approve and certify a temporary property Tax Credit or temporary Mill Levy rate reduction as set forth in this section. The procedures set forth in this section shall be ARE deemed to be a reasonable method for effecting refunds in accordance with section 20 of article X of the State Constitution AND FOR PROVIDING TEMPORARY PROPERTY TAX RELIEF."

Amendment: "A DISTRICT, AS DEFINED IN SECTION 22-54-103 (5) (Public School District), MAY NOT CERTIFY A NET MILL LEVY BELOW THE MINIMUM AMOUNTS PROVIDED IN SECTION 22-54-106. (Property Tax Mill Levy)"

Support Temporary Property Tax Reductions...Support SB23-108!!!

SB108_L.001

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on State, Veterans, & Military Affairs.

SB23-108 be amended as follows:

- 1 Amend printed bill, page 2, line 10, after "section." insert "A DISTRICT, AS
- 2 DEFINED IN SECTION 22-54-103 (5), MAY NOT REDUCE A MILL LEVY BELOW
- 3 THE MINIMUM AMOUNTS PROVIDED IN SECTION 22-54-106."

- 4 Page 2, line 22, after "reduction." insert "A DISTRICT, AS DEFINED IN
- 5 SECTION 22-54-103 (5), MAY NOT CERTIFY A NET MILL LEVY BELOW THE
- 6 MINIMUM AMOUNTS PROVIDED IN SECTION 22-54-106."

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Fiscal Note

Drafting Number:	LLS 23-0704	Date:	February 6, 2023
Prime Sponsors:	Sen. Baisley Rep. Pugliese; Frizell	Bill Status:	Senate State Affairs
		Fiscal Analyst:	Emily Dohrman 303-866-3687 emily.dohrman@coleg.gov

Bill Topic: ALLOWING TEMPORARY REDUCTIONS IN PROPERTY TAX DUE

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill specifies that local governments may provide temporary property tax relief through temporary tax credits or mill levy reductions. Conditional upon future action by local governments, the bill may reduce local government revenue.

Appropriation Summary: No appropriation is required.

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

Summary of Legislation

The bill specifies that local governments may administer temporary tax credits or mill levy reductions for the purpose of providing temporary property tax relief.

Background and Assumptions

In Colorado, all property taxes are imposed by and paid to local governments. Mill levies for property taxes are determined by local governments. Property tax revenue is among the largest sources of local government tax revenue for counties, cities, and special districts, and is the first source of funding for local public school districts.

The bill is assumed not to grant authority to local governments beyond what is already included in the constitution. Additionally, the bill is assumed not to grant school districts the authority to reduce their total program mills below the mill levy floor defined in Article 54 of Title 22, C.R.S.¹

¹ §22-54-102, C.R.S

Local Government

The bill has no direct impact on local government revenue or spending. If a county, municipality, or special district decides to provide temporary tax relief from property taxation, then that government's revenue will decrease accordingly.

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
Local Affairs

Property Tax Division

Special Districts

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 23-0704.01 Jed Franklin x5484

SENATE BILL 23-108

SENATE SPONSORSHIP

Baisley, Rich, Roberts

HOUSE SPONSORSHIP

Pugliese and Frizell, Taggart, Weinberg, Winter T.

Senate Committees
State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 **CONCERNING TEMPORARY REDUCTIONS IN PROPERTY TAXES DUE.**

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>.)

The bill allows a local government to provide temporary property tax relief through temporary property tax credits or mill levy reductions and later eliminate the credits or restore the mill levy. The bill clarifies that a local government may temporarily reduce property taxes due by providing for tax credits or reducing the mill levy and later eliminate the tax credits or restore the mill levy.

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.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-1-111.5, **amend**
3 (1), (2), and (5) as follows:

4 **39-1-111.5. Temporary property tax credits and temporary**
5 **mill levy rate reductions.** (1) In order to effect a refund for any of the
6 purposes set forth in section 20 of article X of the state constitution, OR
7 TO PROVIDE PROPERTY TAX RELIEF BY A TEMPORARY REDUCTION IN
8 PROPERTY TAXES DUE, any local government may approve and certify a
9 temporary property tax credit or temporary mill levy rate reduction as set
10 forth in this section. The procedures set forth in this section ~~shall be~~ ARE
11 deemed to be a reasonable method for effecting refunds in accordance
12 with section 20 of article X of the state constitution AND FOR PROVIDING
13 TEMPORARY PROPERTY TAX RELIEF.

14 (2) Concurrent with the certification of its levy to the board of
15 county commissioners as required pursuant to section 39-5-128 (1), any
16 local government may certify a ~~refund in the form of a~~ temporary property
17 tax credit or temporary mill levy rate reduction. The certification ~~shall~~
18 MUST include the local government's gross mill levy, the temporary
19 property tax credit or temporary mill levy rate reduction expressed in mill
20 levy equivalents, and the net mill levy, which ~~shall~~ MUST be the gross mill
21 levy less the temporary property tax credit or temporary mill levy rate
22 reduction.

23 (5) Upon receipt of any tax warrant reflecting a temporary
24 property tax credit or temporary mill levy rate reduction for any local
25 government, the treasurer shall be responsible for collecting taxes on
26 behalf of ~~such~~ THE local government based upon ~~such~~ THE local
27 government's net adjusted mill levy. In addition to any other information

1 required by section 39-10-103, the tax statement ~~shall~~ MUST indicate by
2 footnote which, if any, local government mill levies ~~contained therein~~ IN
3 THE TAX STATEMENT reflect a temporary property tax credit or temporary
4 mill levy rate reduction for the purpose of effecting a refund in
5 accordance with section 20 of article X of the state constitution OR FOR
6 PROVIDING TEMPORARY PROPERTY TAX RELIEF.

7 **SECTION 2. Act subject to petition - effective date.** This act
8 takes effect at 12:01 a.m. on the day following the expiration of the
9 ninety-day period after final adjournment of the general assembly; except
10 that, if a referendum petition is filed pursuant to section 1 (3) of article V
11 of the state constitution against this act or an item, section, or part of this
12 act within such period, then the act, item, section, or part will not take
13 effect unless approved by the people at the general election to be held in
14 November 2024 and, in such case, will take effect on the date of the
15 official declaration of the vote thereon by the governor.