SMALL BUSINESS TAXATION EQUITY ACT

OUR TEAM:
- MENTOR: JONATHAN SINGER, BOULDER CHAMBER SR. DIR. POLICY PROGRAMS AND FORMER CO STATE REP
- ROSALYN REDWINE, WINNING COFFIERS
- CHERLYN HALIBURTON, THE WORD
- NADEEN IBRAHIM AND HELEN TEKLE, EC3
Founded by Cherlyn and Charles Haliburton in 1998.

Last independent Bible bookstore in the state of Colorado. We are a small business and a key part of the community.

We do ministry with people experiencing homelessness, and distribute food and clothing. Around Christmas time, we also distribute toys to the kids in the neighborhood.

We are a core member of the East Colfax Community Collective Small Business Membership.
WE NEED A PATH FORWARD

We need more time to pay our taxes. A third payment option of monthly payments for property taxes would be ideal.

This would be similar to what is asked of sales tax and how residential property taxes are incorporated into mortgage escrow.
U.S. SMALL BUSINESS ADMINISTRATION OFFICE OF ADVOCACY 2023 Small Business Profile

% of Small Business Ownership (without any employees) by Demographic Group

- 78% of Veteran Owned Businesses
- 88% of Women Owned Businesses
- 90% BIPOC Owned
Average Commercial Property Valuation Increase in 2023: **26%**
(16 of 64 counties had a commercial property valuation increase of 35% or more)

2024 Commercial Property Assessment Rate: **29%**
Our Initial Proposal

PAYMENT OPTION #1
Two installments:
- Half payment by End of February
- Half payment by June 15

PAYMENT OPTION #2
Full payment by April 30

PAYMENT OPTION #3
Monthly property tax payments for small businesses, specifically microenterprises

More than 60% of small businesses consider property taxes to be burdensome.

*Common Sense Institute Colorado - November 2023*
Governor Executive Oder: #D 2020 12
Issued on March 20, 2020 and effective through April 20, 2020

County Treasurers have the discretion to waive a portion of late interest for property tax installment payments already delinquent.

Governor Executive Oder: #D 2020 12
Issued on April 6, 2020 and effective through April 20, 2020

County Treasurers can extend late interest payment waivers through April 30, 2020.

Property taxpayers can pay the first installment by April 30, if they missed February 29 payment date. Interest free.

Second installment is still due June 15.

State Statue 39-10-104.5: Payment dates - optional payment - failure to pay - delinquency - State imposes interest on delinquent taxes at 1% per month starting with the first month a tax installment payment is late.
STAKEHOLDER PROCESS

- Colorado County Treasurer and Public Trustee Association & Individual County Treasurers
- Special Districts Association
- School Districts & School Board Administrations (pending)
- Colorado Counties Incorporated (pending) & Individual County Commissioners
- Small Business Owners, Chambers of Commerce, Advocates & Allies
- State Legislators & State Departments
Our Team

Our team is comprised of:
- Small Business Owners
- Boulder Chamber
- Good Business Colorado
- Small Business Majority
- African Chamber of Commerce
- East Colfax Community Collective
- Subject Matter Experts

Legislative Outreach

We have commitments from Rep Bird and Rep Ricks.

We have interest from Sen Coleman, and continue to meet with legislators.
Administrative Burden

It takes time and effort to process a third payment plan option.

We believe having a third payment plan option will decrease the number of delinquencies.

Tax Revenue Stream

Taxing Districts base their budgets on the tax revenue stream. Government services need to be maintained while offering tax relief. How much revenue would be deferred?

We recognize a monthly payment plan is not feasible given the current property taxation process.

Qualification Criteria

What would be considered a small business? How do we still incentivize paying on time and earlier?

The state does offer an exemption process for seniors and active military that we could consider mirroring for small businesses.
January 1 - Mid-April
Assessment Date & Completion

May - August
Notice of Value & Value Appeal Process

October
Final Values Reported to State & Taxing Districts know value for mill levy

January 10 (next year)
Assessor delivers tax warrant to Treasurer & Treasurer creates Tax Warrant

April 15
State Treasurer provides payments for exemption
April 30
Deadline for full tax payments

December 1
Payment of 1st Installment Due
March 1
Treasurer submits Senior/Veteran Exemption file to DOLA
March 24
Treasurer Distributes property tax collection (School Districts only)

June 15
Payment of 2nd Installment Due
After June 15
Mail delinquent tax statements for real estate & other delinquencies
June 24
Treasurer Distributes property tax collection (School Districts only)
July
Board of County Commissioners selects newspaper for delinquency publication

September
Publication of delinquent taxes for Personal Property & Mobile Homes

October
Four weeks before tax lien sale
Advertise delinquent real estate taxes & post printed notice in office

October
Deliver publication of delinquent tax list of real estate to publisher

November
10 days before tax lien sale
notify owners of real estate of tax lien sale
Real Estate Tax Lien Sale

December
Real Estate Tax Lien Sale

December
Report on real estate tax liens
Our Solutions

Option 1: Allow a third payment option from February - July/August

**Colorado is 1 of 8 states that offers a tax payment installment option with less than 3.5 months between both installment due dates.**

Property taxpayers would not have to apply to this program. It would be a direct benefit.

Granting more time for payments means we will have less tax payers that will be delinquent.

Option 2: Application through the state similar to other tax exemptions

**Administrative burden on taxpayers means that it will be inaccessible to many aspects of the community (e.g. language barriers).**

The administrative burden would not be as great on the Treasurers and the State can provide the funding to ensure the anticipated tax revenue stream on-time.

Having the tax exemptions for seniors and active military means we already have an existing system that works.
Been in Business for over 44 years

We prioritize mental health concerns and substance misuse.

We are a core member of the East Colfax Community Collective Small Business Membership.
THANK YOU