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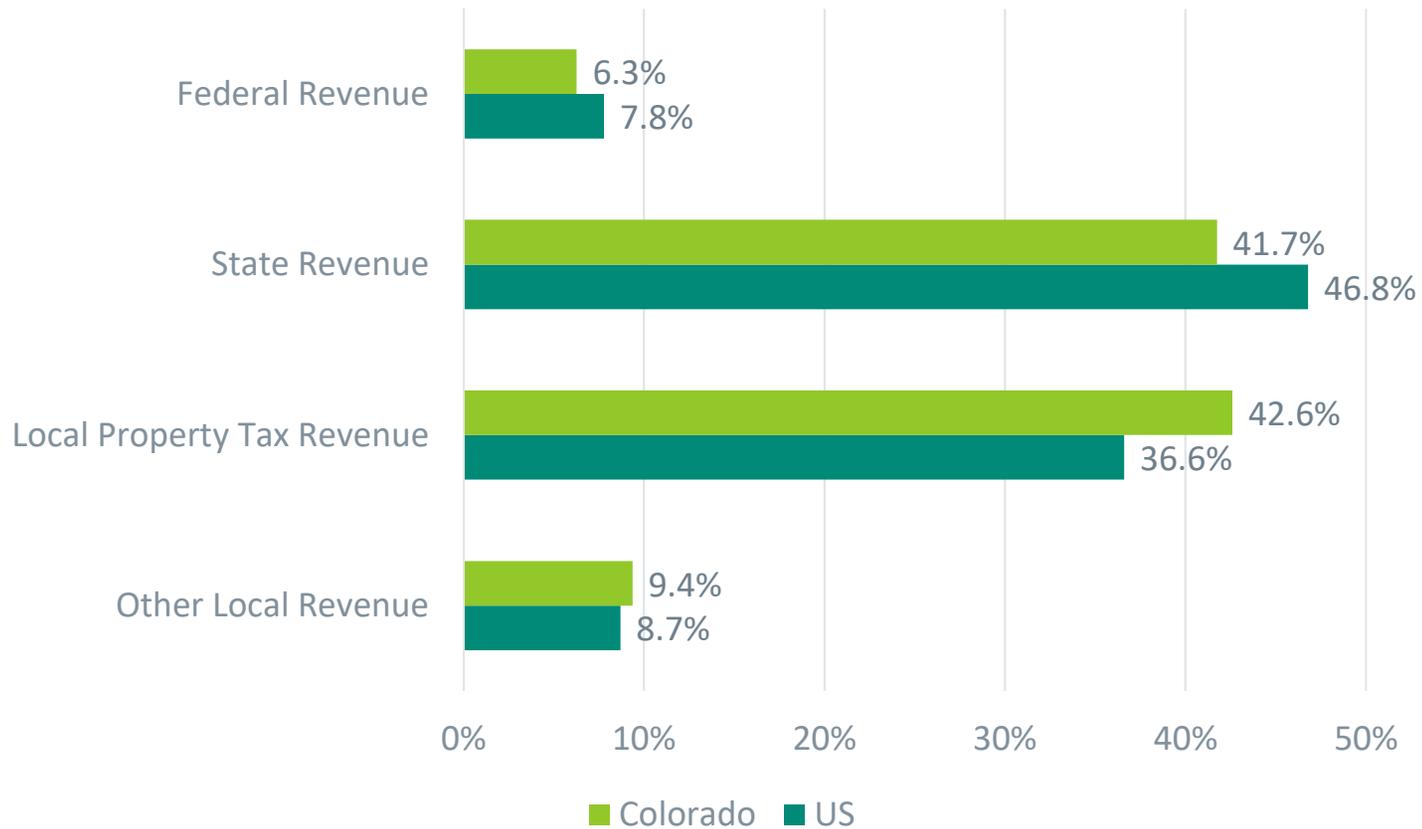
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A National Perspective on Property Tax & School Finance: How Colorado Compares

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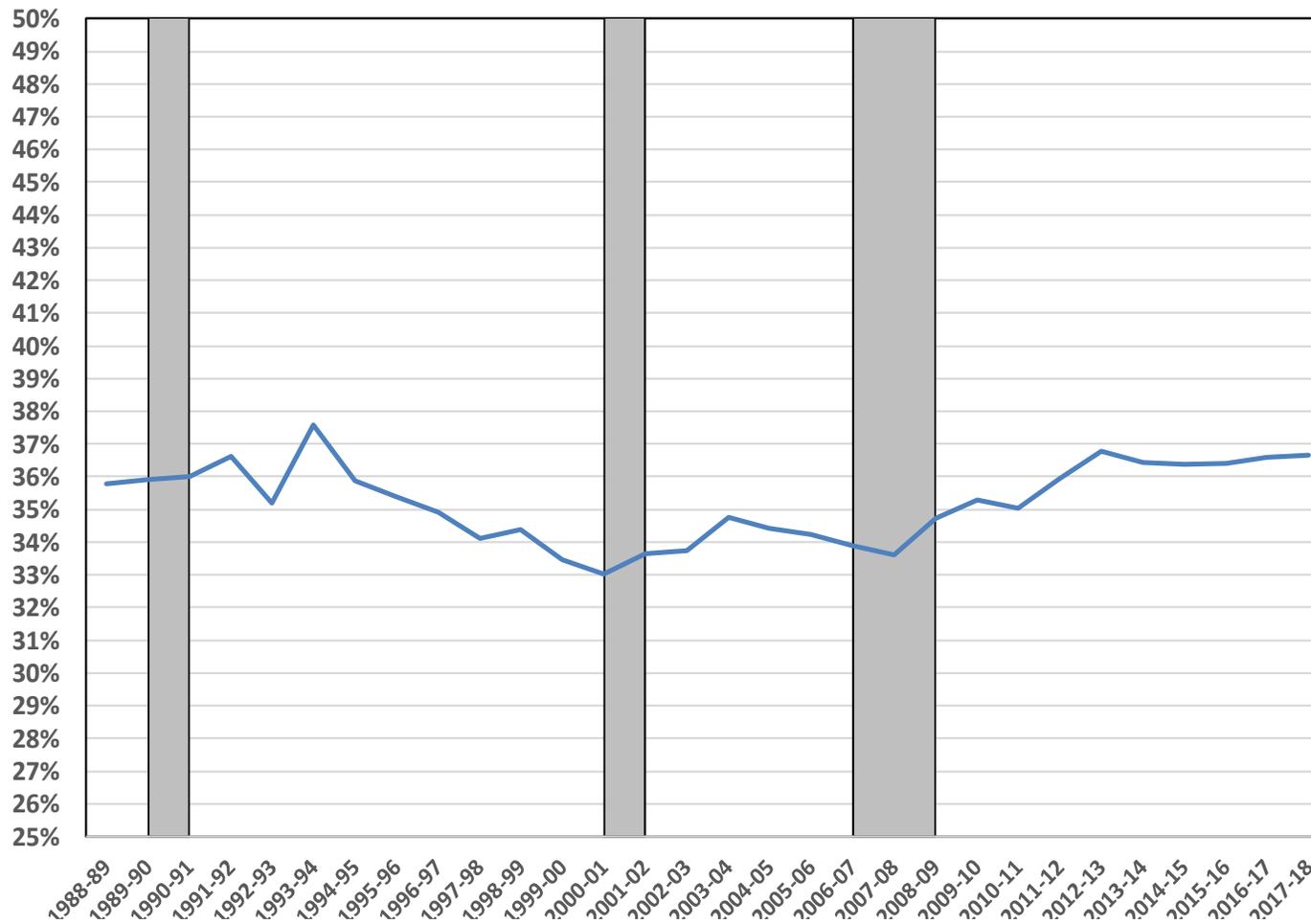
Colorado's Legislative Interim Committee on School Finance
September 17, 2021

Distribution of Public K-12 School Revenue, Colorado and U.S., 2017-18



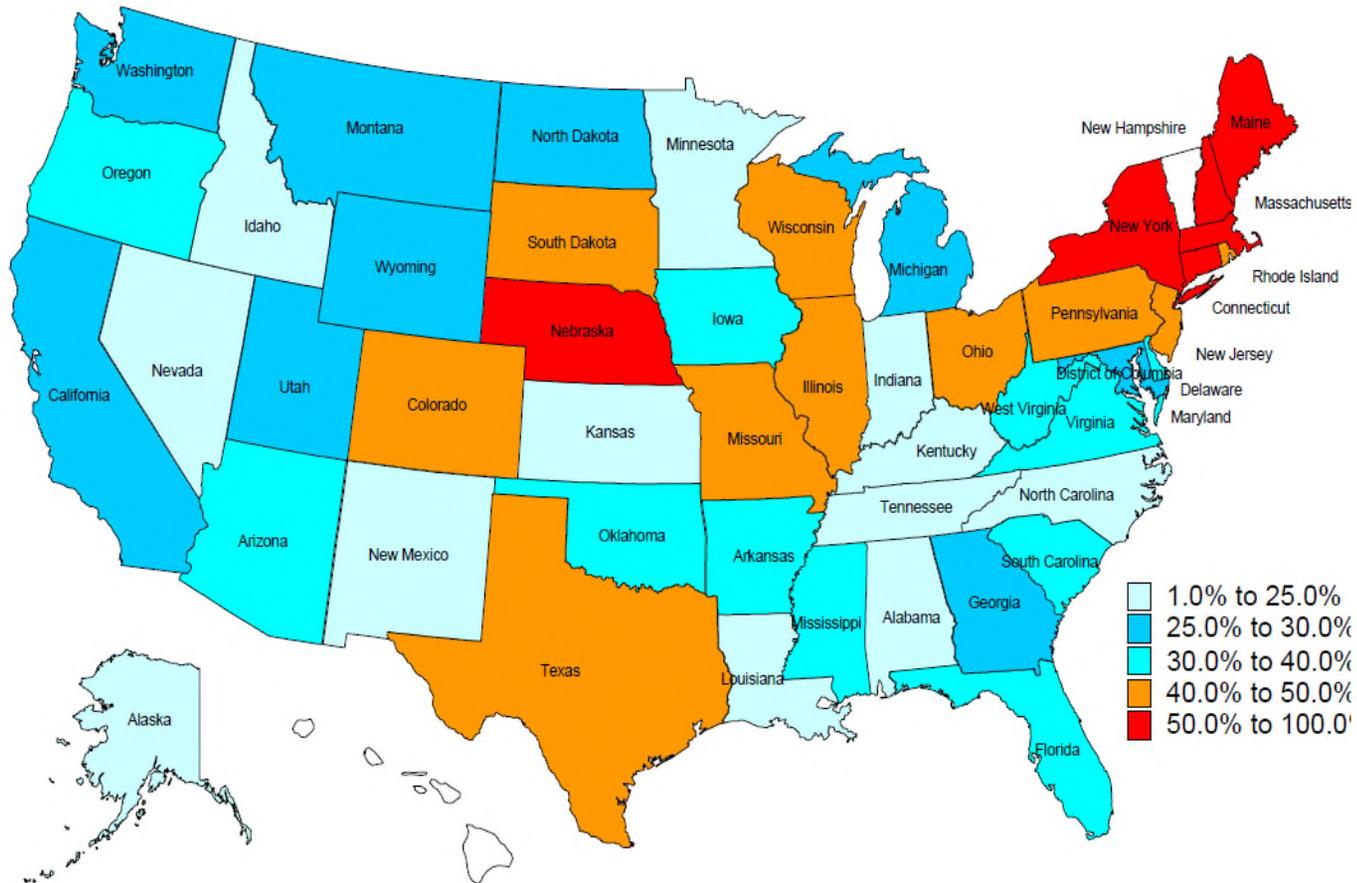
Source: Calculations using data from the National Public Education Financial Survey (NCES)

Local Property Tax as a Percent of Total K-12 Education Revenue in the United States



Source: Calculations using data from the National Public Education Financial Survey (NCES)

Local Property Tax Revenue for K-12 Public Schools as a Share of Total Revenues, by State, 2017-18



Source: Authors with data from NCES 2020

Selected Colorado Property Tax Statistics, 2018

	Colorado	U.S. Average	Colorado Rank (of 51) <i>1 is highest</i>
<u>Per capita property tax</u>	\$1,597	\$1,667	25
<u>Property tax percentage of personal income</u>	2.7%	3.1%	29
<u>Total property tax as percentage of state-local revenue</u>	16.6%	16.6%	19
Median owner-occupied home value ²	\$343,300	\$217,500	5
Median real estate taxes paid for owner-occupied home ²	\$1,756	\$2,471	30
Effective tax rate, median owner-occupied home ³	0.5%	1.1%	49

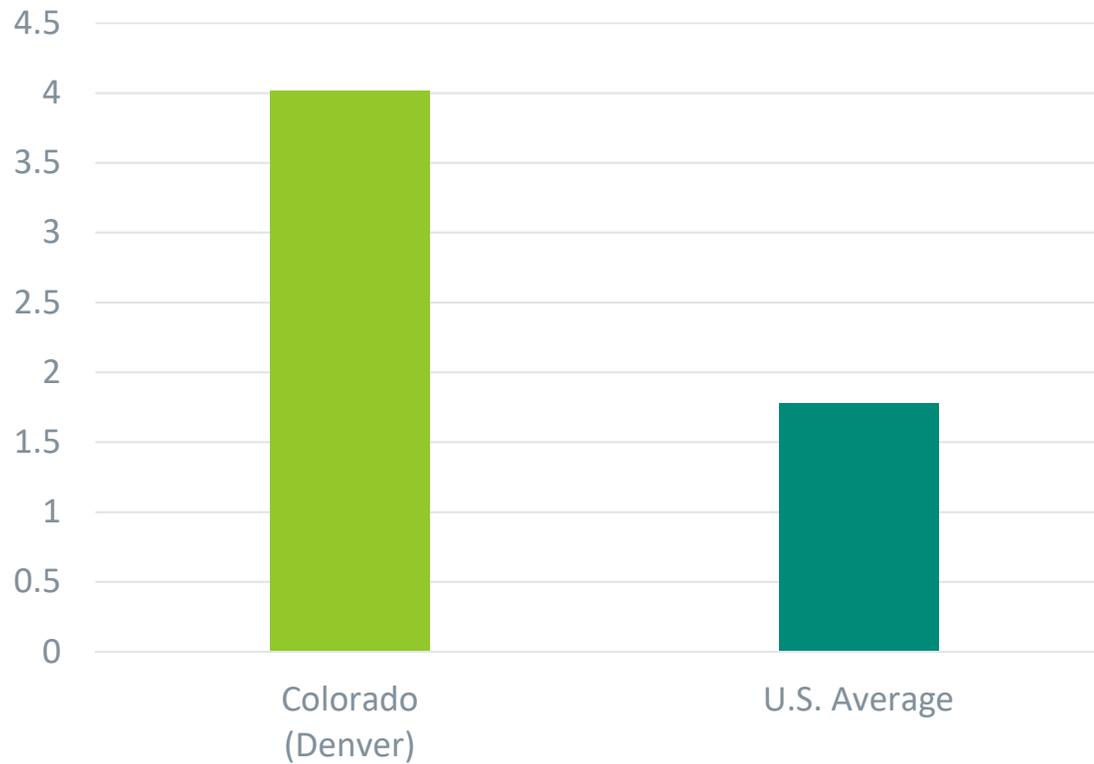
Sources: U.S. Census via Significant Features of the Property Tax, American Community Survey

Property Tax Features of State Governments, Colorado, 2018

Feature	Colorado	Count for 50 states plus DC
Statewide classification of real property	Yes	25
Assessment of property primarily by county	Yes	31
Limits on property tax rates or levies	Yes	45
Limits on the rate of growth of assessed value	Yes	18
Circuit breaker property tax relief program	Yes	34

Source: Significant Features of the Property Tax via State-by-State Property Tax at a Glance

Commercial-Homestead Classification Ratio, Colorado and U.S., 2020

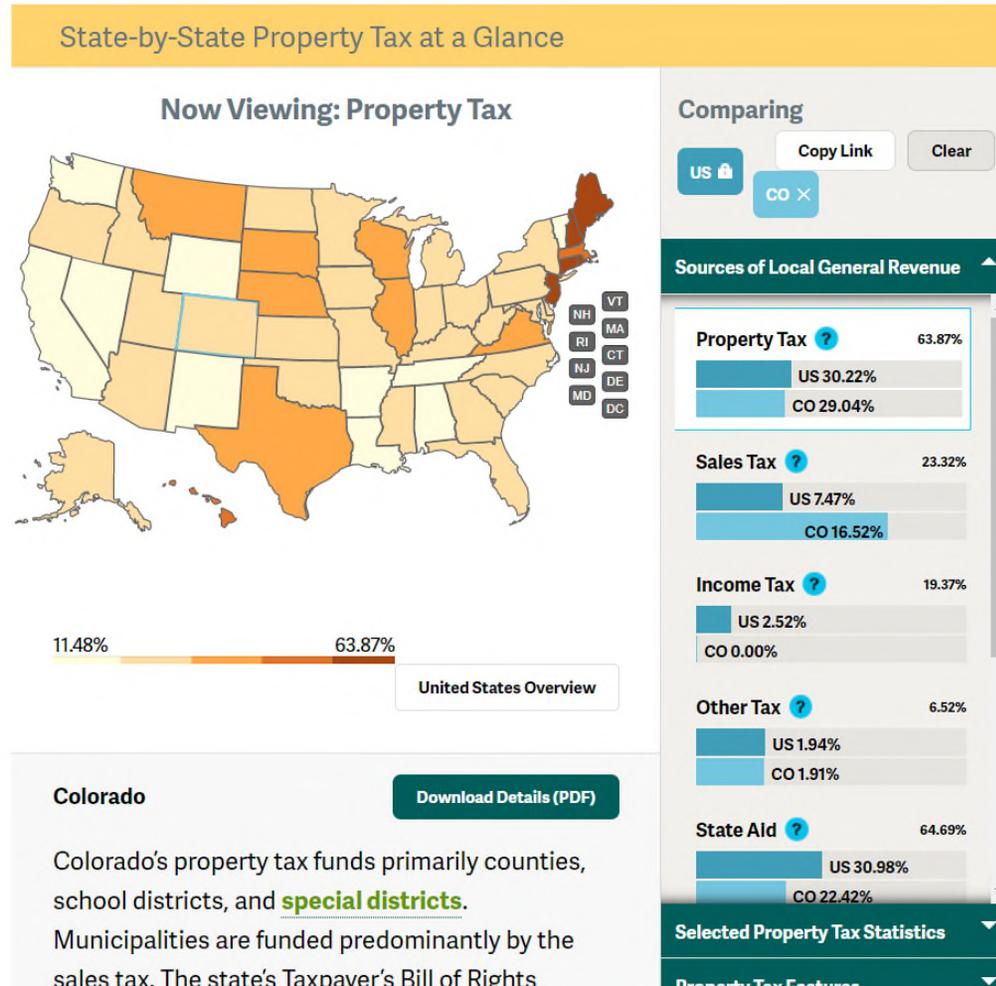


Source: Lincoln Institute of Land Policy and Minnesota Center for Fiscal Excellence

Summary

- The local property tax contributes about 36 percent of revenue for K-12 public schools in the U.S. and this share has remained fairly stable over the last three decades
- The local property tax is the largest revenue source for Colorado public K-12 schools – reliance is above average
- Colorado’s tax burden is about average but it’s effective tax rate on homesteads is among the lowest in the nation
- Colorado’s classification policies and tax limits have led to a much higher burden on nonresidential property than on homes – one of the widest gaps in the country

State-by-State Property Tax at a Glance



Links

- **State-by-State Property Tax at a Glance Narratives and Visualization Tool**

<https://www.lincolninst.edu/research-data/data-toolkits/significant-features-property-tax/state-state-property-tax-glance>

- **50-State Property Tax Comparison Study (2021)**

https://www.lincolninst.edu/sites/default/files/pubfiles/50-state-property-tax-comparison-for-2020-full_0.pdf

Thank you!

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