

CHAPTER 169

**TAXATION**

SENATE BILL 93-88

BY SENATOR Mutzebaugh;  
also REPRESENTATIVE Owen.

**AN ACT**

**CONCERNING REQUIREMENTS FOR GRANTING PROPERTY TAX EXEMPTIONS.**

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

**SECTION 1.** 39-3-106.5, Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

**39-3-106.5. Tax-exempt property - incidental use - exemption - limitations.**  
(1.5) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF THIS SECTION, FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 1994, IF ANY PROPERTY, REAL OR PERSONAL, WHICH IS OTHERWISE EXEMPT FROM THE LEVY AND COLLECTION OF PROPERTY TAX PURSUANT TO THE PROVISIONS OF SECTION 39-3-106, IS USED FOR ANY PURPOSE OTHER THAN THE PURPOSES SPECIFIED IN SECTIONS 39-3-106 TO 39-3-113, SUCH PROPERTY SHALL BE EXEMPT FROM THE LEVY AND COLLECTION OF PROPERTY TAX IF:

(a) THE PROPERTY IS USED FOR SUCH PURPOSES FOR LESS THAN TWO HUNDRED EIGHT HOURS, ADJUSTED FOR PARTIAL USAGE IF NECESSARY ON THE BASIS OF THE RELATIONSHIP THAT THE AMOUNT OF TIME AND SPACE USED FOR SUCH OTHER PURPOSE BEARS TO THE TOTAL AVAILABLE TIME AND SPACE, DURING THE CALENDAR YEAR; OR

(b) THE USE OF THE PROPERTY FOR SUCH PURPOSES RESULTS IN:

(I) LESS THAN TEN THOUSAND DOLLARS OF GROSS INCOME TO THE OWNER OF SUCH PROPERTY WHICH IS DERIVED FROM ANY UNRELATED TRADE OR BUSINESS, AS

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

DETERMINED PURSUANT TO THE PROVISIONS OF SECTIONS 511 TO 513 OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED; AND

(II) LESS THAN TEN THOUSAND DOLLARS OF GROSS RENTAL INCOME TO THE OWNER OF SUCH PROPERTY.

**SECTION 2.** Article 3 of title 39, Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

**39-3-108.5. Property - community corrections facility - exemption.**

(1) PROPERTY, REAL AND PERSONAL, WHICH IS OWNED AND USED SOLELY AND EXCLUSIVELY FOR STRICTLY CHARITABLE PURPOSES AND NOT FOR PRIVATE GAIN OR CORPORATE PROFIT SHALL BE EXEMPT FROM THE LEVY AND COLLECTION OF PROPERTY TAX IF SUCH PROPERTY IS OWNED AND USED BY A NONPROFIT COMMUNITY CORRECTIONS AGENCY FOR A COMMUNITY CORRECTIONAL FACILITY OR PROGRAM.

(2) AS USED IN THIS SECTION:

(a) "COMMUNITY CORRECTIONAL FACILITY OR PROGRAM" SHALL HAVE THE MEANING SET FORTH IN SECTION 17-27-102 (1), C.R.S.

(b) "NONPROFIT COMMUNITY CORRECTIONS AGENCY" MEANS ANY PERSON, AGENCY, CORPORATION, ASSOCIATION, OR ENTITY THAT:

(I) IS EXEMPT FROM FEDERAL INCOME TAX PURSUANT TO THE "INTERNAL REVENUE CODE OF 1986", AS AMENDED; AND

(II) OPERATES A COMMUNITY CORRECTIONAL FACILITY OR PROGRAM.

(3) THE PROVISIONS OF THIS SECTION SHALL APPLY TO PROPERTY TAX YEARS BEGINNING ON OR AFTER JANUARY 1, 1993.

**SECTION 3. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 30, 1993