

CHAPTER 233

TAXATION

HOUSE BILL 96-1113

BY REPRESENTATIVES Martin and Tool;
also SENATOR Schroeder.

AN ACT**CONCERNING THE VALUATION OF PROPERTY FOR PROPERTY TAX PURPOSES.**

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

SECTION 1. 39-1-103 (14) (c), Colorado Revised Statutes, 1994 Repl. Vol., is amended to read:

39-1-103. Actual value determined - when. (14) (c) (I) For purposes of this subsection (14), "vacant land" means any lot, parcel, site, or tract of land upon which no buildings ~~structures~~, or fixtures, OTHER THAN MINOR STRUCTURES, are located. "Vacant land" may include land with site improvements. "Vacant land" includes land that is part of a development tract or subdivision when using present worth discounting in the market approach to appraisal; however, "vacant land" shall not include any lots within such subdivision or any portion of such development tract ~~which~~ THAT improvements, other than site improvements OR MINOR STRUCTURES, have been erected upon or affixed thereto. "Vacant land" does not include agricultural land, producing oil and gas properties, severed mineral interests, and all mines, whether producing or nonproducing.

(II) For purposes of this subsection (14):

(A) "MINOR STRUCTURES" MEANS IMPROVEMENTS THAT DO NOT ADD VALUE TO THE LAND ON WHICH THEY ARE LOCATED AND THAT ARE NOT SUITABLE TO BE USED FOR AND ARE NOT ACTUALLY USED FOR ANY COMMERCIAL, RESIDENTIAL, OR AGRICULTURAL PURPOSE.

(B) "Site improvements" means streets with curbs and gutters, culverts and other sewage and drainage facilities, and utility easements and hookups for individual lots or parcels.

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

SECTION 2. 39-1-104 (11) (a) (I), the introductory portion to 39-1-104 (12.2) (a), and 39-1-104 (12.3) (a) (I) and (12.4), Colorado Revised Statutes, 1994 Repl. Vol., are amended to read:

39-1-104. Valuation for assessment. (11) (a) (I) It is the intent of the general assembly, as manifested in subsection (10.2) of this section, that, when a change occurs in reassessment cycles as prescribed in said ~~subsections~~ SUBSECTION, new manuals and associated data will be published by the administrator, ~~after approval by the advisory committee to the administrator~~ PURSUANT TO SECTION 39-2-109 (1) (e), and that said manuals and associated data and the level of value for the year ~~which~~ THAT said manuals and associated data are published shall be utilized by assessors in the manner described in subsection (10.2) of this section for determining the actual value of real property in each county of the state.

(12.2) (a) Except as provided in subsection (12) of this section, for property tax years commencing on or after January 1, 1987, the requirement stated in subsections (9) to (11) of this section that the actual value of real property be determined according to a specified year's level of value and manuals and associated data published by the administrator for said specified year ~~and approved by the advisory committee to the administrator~~ PURSUANT TO SECTION 39-2-109 (1) (e) shall apply to the assessment of all classes of real property, including but not limited to the following classes of real property:

(12.3) (a) (I) The actual value of personal property shall be determined by appropriate consideration of such of the three approaches specified in section 39-1-103 (5) (a) as are applicable to the appraisal of such property. Subject to review and approval ~~by the advisory committee~~ PURSUANT TO SECTION 39-2-109 (1) (e), the administrator shall prepare and publish appraisal procedures and instructions for the annual appraisal of such property ~~which~~ THAT will include a factor or factors to adjust the actual value for the current year of assessment to the level of value applicable to real property.

(12.4) For property tax years commencing on and after January 1, 1987, the requirement stated in subsections (10.2) to (11) of this section that the actual value of real property be determined according to a specified year's level of value and manuals and associated data published by the administrator for said specified year ~~and approved by the advisory committee to the administrator~~ PURSUANT TO SECTION 39-2-109 (1) (e) shall not apply to the assessment of producing coal mines and other lands producing nonmetallic minerals.

SECTION 3. 39-2-115 (1) (b), Colorado Revised Statutes, 1994 Repl. Vol., is repealed as follows:

39-2-115. Review of abstracts of assessment - recommendations. (1) (b) ~~Upon receipt of the final state assessed valuations from the property tax administrator, each assessor shall make any necessary adjustments to the abstract of assessment and file two revised copies of such abstract of assessment with the administrator no later than October 10 of each year. If any such adjustments are made to the abstract of assessment, such revised copies shall be subscribed and sworn to by the assessor and the chairman of the board of county commissioners in accordance with the provisions~~

of section 39-5-123 (1).

SECTION 4. 39-3-129 (1), Colorado Revised Statutes, 1994 Repl. Vol., is amended to read:

39-3-129. Proportional valuation - exempt property. (1) Except as otherwise provided in subsection (2) of this section, whenever ~~subsequent to the assessment date in any taxable year but prior to the date fixed by law for levying the requisite property taxes for such taxable year,~~ any property ~~which~~ THAT was previously taxable becomes legally exempt from the levy and collection of property tax or any property ~~which~~ THAT was previously legally exempt from the levy and collection of property tax becomes taxable, the valuation for assessment of such property shall be a proportion of the valuation for assessment of such property for the entire taxable year based upon the ratio of the portion of the taxable year in which such property is taxable to the entire taxable year. In the event such property is partially leased, loaned, or otherwise made available to and used by a business conducted for profit, the determination as to what portion of such property is so utilized shall be made by the administrator on the basis of the facts existing on the annual assessment date for such property. The administrator shall have the authority to determine the actual value of the nonexempt portion of such property in relation to the actual value of the entire property by using the ratio of the squarefoot area of such property utilized by the business conducted for profit to the total squarefoot area of such property. Where shown to be more appropriate, in order to determine the relationship between the actual value of the nonexempt portion of said property and the actual value of the total property, the administrator may employ the ratio of the portion as measured in hours of any calendar year in which such property is leased, loaned, or otherwise made available to and used by any business conducted for profit to the entire calendar year.

SECTION 5. 39-5-110, Colorado Revised Statutes, 1994 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBSECTION to read:

39-5-110. Property brought into state after assessment date - removal before next assessment date - temporary location of inventory - inapplicability to drilling rigs. (4) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, OIL AND GAS DRILLING RIGS SHALL BE VALUED PURSUANT TO SECTION 39-5-113.3.

SECTION 6. 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: June 1, 1996