

# Proposition \_\_: Property Tax Assessment Rates

Placed on the ballot by citizen initiative • Passes with a majority vote

## 1 **Proposition \_\_ proposes amending the Colorado statutes to:**

- 2 • lower residential and nonresidential property tax assessment rates, beginning in
- 3 the 2025 property tax year; and
- 4 • direct the state to reimburse local governments for lost property tax revenue
- 5 each year.

## 6 **What Your Vote Means**

### 7 **YES**

8 A “yes” vote on Proposition \_\_ reduces  
9 assessment rates beginning in property  
10 tax year 2025, and directs the state to  
11 reimburse local governments each year for  
12 lost property tax revenue due to the  
13 measure. These rate reductions would  
14 replace smaller reductions in a new law  
15 scheduled to take effect in property tax  
16 year 2024.

### 17 **NO**

18 A “no” vote on Proposition \_\_ means that  
19 assessment rates in the measure do not  
20 take effect. A “no” vote on both  
21 Proposition \_ and Amendment \_ allows a  
22 new law to take effect that provides  
23 smaller reductions in assessment rates  
24 beginning in tax year 2024 and imposes a  
25 new property tax revenue limit.

## 26 **Summary and Analysis of Proposition \_\_**

### 27 **What does the measure do?**

28 Beginning in property tax year 2025, Proposition \_\_ lowers property taxes compared to what  
29 would be owed without the measure. The measure lowers the assessment rates used to  
30 calculate property taxes to 5.7 percent for residential properties and 24 percent for all  
31 nonresidential properties, except for mines and oil and gas properties. Taxes for property tax  
32 year 2025 are paid in 2026.

33 The measure directs the state to annually reimburse local governments for lost property tax  
34 revenue as a result of the measure; however, the legislature must pass a bill for local  
35 governments to receive these reimbursements.

1 Passing this measure would also cause a new law, Senate Bill 24-233,<sup>1</sup> not to take effect. This  
2 new law lowers most property tax assessment rates compared to what they would be  
3 otherwise and creates a property tax revenue limit. The interaction between Amendment \_\_,  
4 Proposition \_\_, and SB 24-233 is described in more detail below.

5 **What are property taxes?**

6 In Colorado, there is no state property tax. Only local governments, which include counties,  
7 school districts, cities, towns, and special districts, impose and collect property taxes. Local  
8 governments use the revenue to fund public schools and local services such as road  
9 maintenance, police departments, fire protection, water and sewer infrastructure, parks, and  
10 libraries.

11 **How are property taxes calculated?**

12 Figure 1 illustrates how property taxes are calculated. Property taxes are paid on a portion of  
13 a property's actual value. This portion is known as the taxable value, or assessed value, and is  
14 calculated by taking the property's value, subtracting a portion of residential and commercial  
15 values, and then multiplying by an assessment rate. The taxable value is then multiplied by  
16 the local tax rate (known as a mill levy) to determine the taxes due. The amount of any  
17 subtraction and the assessment rate are set by the state and vary based on the type of  
18 property. Mill levies are set by the local government where the property is located.

19 **Figure 1**

20 **Example Residential Property Tax Calculation for 2023**

21 Property value of \$500,000, taxed at 80 mills, 6.7% assessment rate

22 **(Property value – Value subtraction) × Assessment rate = Taxable value**

23 (\$500,000 - \$55,000) × 6.7% = \$29,815 taxable value

24 **Taxable value × Tax rate (Mills/1000) = Property taxes**

25 \$29,815 × 0.08 = \$2,385 owed

26 **How does the measure impact property taxpayers?**

27 If this measure passes, it will replace assessment rate cuts scheduled to begin in 2024 with  
28 bigger reductions, starting in tax year 2025. Rates will temporarily increase in 2024 to the  
29 assessment rates that were in law prior to the passage of SB 24-233, before decreasing to  
30 the rates specified in this measure in 2025. If this measure fails and Amendment \_\_ passes,  
31 assessment rates will increase to the rates that were in law prior to the passage of SB 24-233.

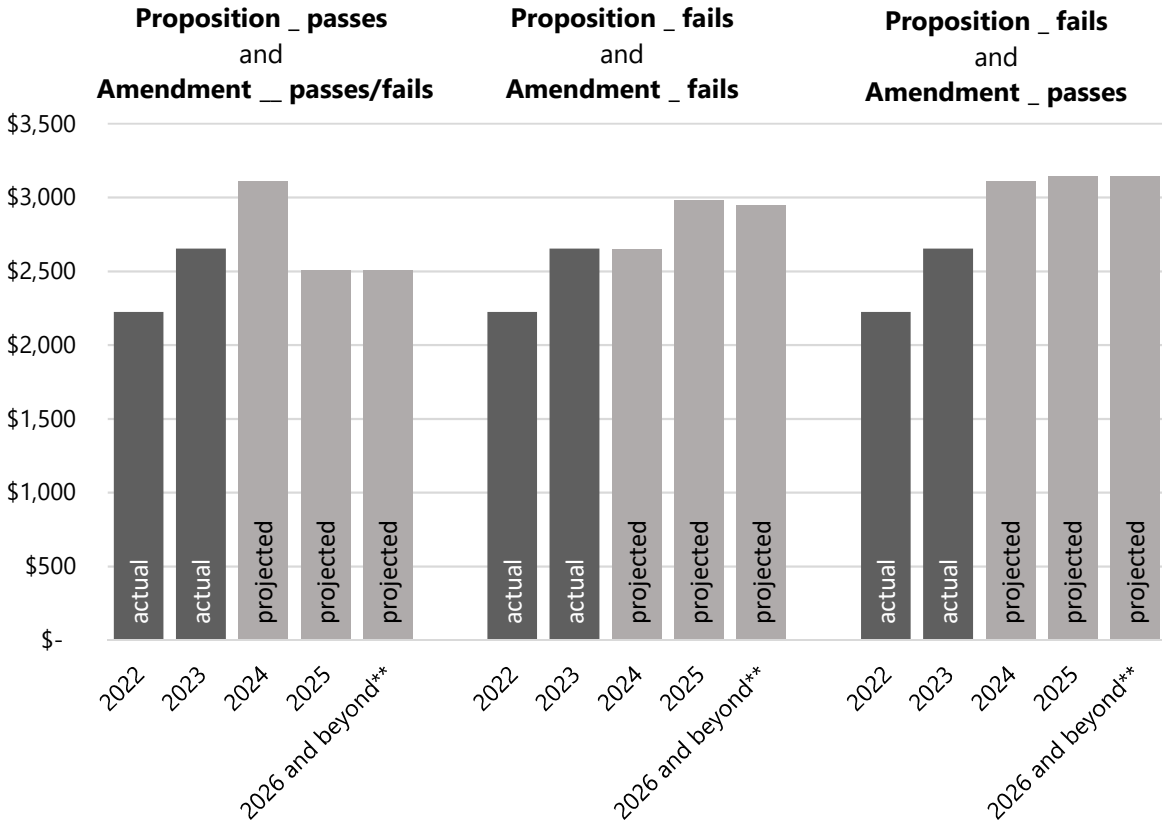
32 Figure 2 shows example residential property taxes as impacted by the possible ballot  
33 outcomes from this measure and Amendment \_\_ for a typical home in the state, including  
34 the increase in taxes most property owners experienced in 2023 with rising property values.

---

<sup>1</sup> <https://leg.colorado.gov/bills/sb24-233>

1  
2

**Figure 2**  
**Example Taxes on a Single Family Home\***



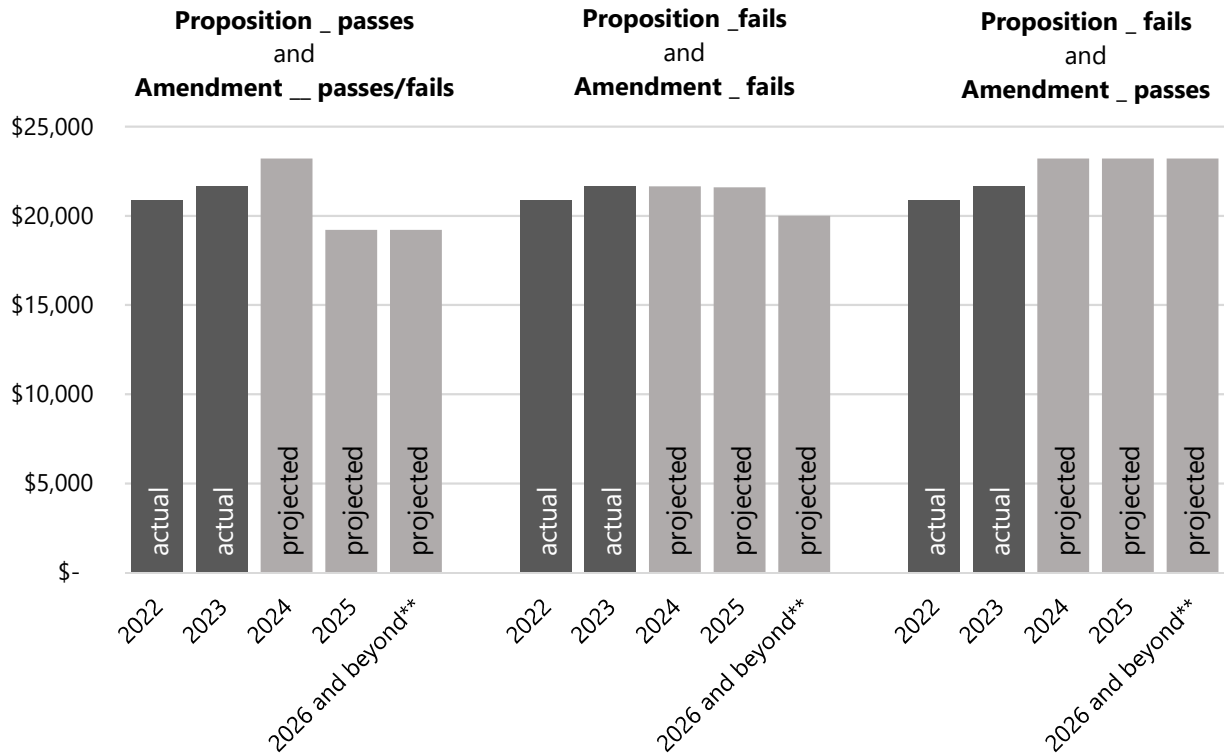
3 \*Example assumes 40 school district mills and 40 non-school district mills. Assumes a property valued at  
4 \$400,000 in 2022, \$550,000 in 2023, and no growth in the 2025 reassessment year. Actual property taxes will  
5 depend on local mill levies and property value.

6 \*\*Property taxes will still increase when property value increases.

7 Figure 3 shows example taxes for a commercial property in each of these scenarios. While  
8 examples are not provided in this analysis, Proposition \_ also lowers assessment rates for  
9 vacant land, state assessed properties, and industrial properties, beginning in 2025.

1  
2

**Figure 3**  
**Example Taxes on a Commercial Property\***



3 \*Example assumes 40 school district mills and 40 non-school district mills. Assumes a property valued at  
4 \$900,000 in 2022 and \$1 million in 2023 and future years. Actual property taxes will depend on local mill  
5 levies and property value.

6 \*\*Property taxes will still increase when property value increases.

7 **How does this measure impact local governments?**

8 Local governments will collect less property tax revenue than they would have collected  
9 without the measure. The measure directs the state to reimburse local governments for lost  
10 property tax revenue; however, the legislature must pass a bill for local governments to  
11 receive these reimbursements. The measure does not specify which local governments are  
12 eligible for reimbursement, or how revenue loss is calculated. Reimbursements would shift a  
13 portion of local government funding from local property tax collections to state General  
14 Fund dollars, which primarily come from existing state income and sales taxes.

15 The revenue local governments lose as a result of the measure could be up to \$1.8 billion in  
16 the first year, but may be offset in whole or in part by state reimbursements as approved by  
17 the legislature.

## 1 **How does this measure impact the state budget?**

2 Depending on how the measure is implemented, it will result in the state spending between  
3 \$630 million and \$1.7 billion to make up for a portion of reduced local property tax revenue  
4 in the first year. These reimbursements will limit other areas of state spending for state  
5 services such as health care, K-12 schools, human services, and the judicial and corrections  
6 systems.

## 7 **How does the measure impact school funding?**

8 Under current law, the state covers the difference between local school district tax revenue,  
9 most of which is property tax, and an amount determined by a state formula for each school  
10 district. By reducing local property tax revenue for school districts, Proposition \_\_ requires  
11 the state to pay more to school districts to make up the difference, estimated to be  
12 \$630 million in 2025. This must be paid without reducing the amount spent from the state's  
13 dedicated fund for education, the State Education Fund. In 2024 only, the state portion of  
14 school finance is expected to decrease.

15 Some school districts collect property taxes outside the school funding formula for voter-  
16 approved purposes such as capital projects, operations, and salaries. Lower assessment rates  
17 will reduce revenue collected from these taxes. The state is not required to reimburse school  
18 districts for this lost revenue.

19 In addition, the state is currently implementing a new formula for allocating funding to  
20 school districts. By reducing property tax collections, this measure will stop the  
21 implementation of the new formula. This would result in less money for most school districts  
22 than under the new formula.

## 23 **What is Senate Bill 24-233 and how do Amendment \_\_ and Proposition \_\_ interact** 24 **with it?**

25 In May 2024, the state legislature passed a bill, SB 24-233, that only goes into effect if both  
26 Amendment \_\_ and Proposition \_\_ do not pass. Among other things, the bill:

- 27 • lowers assessment rates from what they would otherwise be for residential and some  
28 non-residential property, beginning in 2024;
- 29 • creates a subtraction from a home's value that further reduces assessed value for  
30 property tax year 2024, and an ongoing subtraction equal to 10 percent of a home's  
31 value, up to \$70,000, beginning in 2026; and
- 32 • creates a 5.5 percent property tax limit on non-school local governments that are not  
33 already subject to other property tax revenue limits.

34 The different ways Amendment \_\_ and Proposition \_\_ interact with SB 24-233 are detailed in  
35 Table 1. For more information about Amendment \_\_ and how it interacts with SB 24-233, see  
36 page \_\_.

1  
2

**Table 1**  
**Potential Outcomes of Amendment \_\_ and Proposition \_\_**

Outcomes for Ballot Measures	Amendment __ Passes	Amendment __ Fails
<b>Proposition __ Passes</b>	<ul style="list-style-type: none"> <li>• Because SB 24-233 does not go into effect, assessment rates go up in 2024. However, they are permanently reduced by Proposition __ beginning in 2025.</li> <li>• The 4 percent statewide property tax revenue limit in Amendment __ goes into effect.</li> <li>• The 5.5 percent local property tax revenue limit in SB 24-233 does not go into effect.</li> </ul>	<ul style="list-style-type: none"> <li>• Because SB 24-233 does not go into effect, assessment rates go up in 2024. However, they are reduced by Proposition __ beginning in 2025.</li> <li>• No new property tax revenue limit, either from Amendment __ or SB 24-233.</li> </ul>
<b>Proposition __ Fails</b>	<ul style="list-style-type: none"> <li>• Because neither SB 24-233 nor Proposition __ goes into effect, assessment rates continue at higher rates.</li> <li>• The 4 percent statewide property tax revenue limit in Amendment __ goes into effect.</li> <li>• The 5.5 percent local property tax revenue limit in SB 24-233 does not go into effect.</li> </ul>	<ul style="list-style-type: none"> <li>• SB 24-233 goes into effect:                             <ul style="list-style-type: none"> <li>○ Assessment rates are lowered beginning in 2024. Most rates are lower than they would be without SB 24-233, but higher than if Proposition __ had gone into effect.</li> <li>○ The 5.5 percent local property tax revenue limit in SB 24-233 goes into effect.</li> </ul> </li> <li>• The 4 percent statewide property tax revenue limit in Amendment __ does not go into effect.</li> </ul>

3 **How do the assessment rates in Proposition \_\_ compare to those in Senate Bill 24-233?**

4 SB 24-233 lowers assessment rates starting in 2024, whereas Proposition \_\_ lowers rates  
5 beginning in 2025.

6 Proposition \_\_ lowers assessment rates to 5.7 percent for residential properties and  
7 24 percent for all nonresidential properties, except for mines and oil and gas properties.

8 If neither Proposition \_\_ nor Amendment \_\_ passes, SB 24-233 includes temporary tax cuts  
9 for tax years 2024 and 2025 and then beginning in 2026, sets the permanent assessment  
10 rates at:

- 11 • 6.95 percent, after reduction in property value of 10 percent or up to \$70,000, for  
12 non-school district taxes on residential property;

- 1 • 7.15 percent for school district taxes on residential property;
  - 2 • 25 percent for commercial and agricultural property; and
  - 3 • 29 percent for all other nonresidential property, except for mines and oil and gas
  - 4 properties.
- 5 Detailed descriptions of the rates with and without SB 24-233 can be found here. [The Blue  
6 Book will include a link to a separate memo listing all the assessment rates in each scenario]

For information on those issue committees that support or oppose the measures on the ballot at the November 5, 2024, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:

<https://coloradosos.gov/pubs/elections/Initiatives/InitiativesHome.html>

## 7 **Arguments For Proposition \_\_**

- 8 1) Property taxes have soared in recent years, growing much faster than incomes and  
9 inflation. Beginning in 2025, the measure reduces property taxes for homeowners and  
10 small business owners across the state, who are already struggling with a high cost of  
11 living and doing business. The measure provides much needed property tax relief.
- 12 2) Passing Proposition \_\_ goes further than SB 24-233 by providing more long-term  
13 property tax relief. Even with this tax cut, local property tax revenue is still expected to be  
14 higher than before the recent spike in taxes. The measure gives policymakers the  
15 flexibility to ensure that state reimbursements are sufficient for local governments while  
16 protecting important state services.

## 17 **Arguments Against Proposition \_\_**

- 18 1) The large property tax reductions in Proposition \_\_ will require steep cuts to important  
19 state services, local services, or both. The measure's vague reimbursement requirement  
20 makes it impossible to know whether state or local services will be cut, and what  
21 programs will be lost. The measure is a heavy-handed cut and there is no way for voters  
22 to know in advance what services they are giving up.
- 23 2) The measure removes local governments' control over their finances. The measure shifts  
24 a portion of local government funding from property tax revenue to unreliable state  
25 reimbursements, compromising local governments' ability to secure long-term financing  
26 and plan for the future. Local governments should be in control of their own finances,  
27 with local elected officials accountable to voters in their district.

## 28 **Fiscal Impact of Proposition \_\_**

29 Proposition \_\_ decreases assessment rates for most classes of nonresidential property and  
30 for residential property beginning in the 2025 property tax year, decreasing local property  
31 tax revenue. By causing Senate Bill 24-233 not to take effect, the measure increases property  
32 taxes for the 2024 property tax year only. The measure directs the state to reimburse local

1 districts for lost revenue due to the measure, but legislation is needed for these  
2 reimbursements to occur. These impacts are discussed below. The state budget year runs  
3 from July 1 to June 30.

4 **Taxpayer impacts.** The measure increases property tax revenue paid by property owners by  
5 an estimated \$1 billion for property tax year 2024, compared with current law. The measure  
6 reduces local property taxes by up to \$2.4 billion for property tax year 2025, by up to  
7 \$2.2 billion for property tax year 2026, and by larger amounts in future years assuming  
8 growth in property values. Decreased property taxes increase the amount of after-tax  
9 income available for property owners to spend, save, or invest elsewhere in the economy.

10 **Local government impact.** Proposition \_\_ increases revenue to local governments  
11 statewide, on net, by \$660 million for property tax year 2024. For later years, the measure  
12 decreases local government revenue, but the amount of the net decrease depends on the  
13 amount of reimbursements paid by the state, if any. Depending on the reimbursements, the  
14 measure will decrease revenue by between \$700 million and \$1.8 billion for property tax year  
15 2025, and by between \$700 million and \$1.7 billion for property tax year 2026. The low end  
16 of the range assumes complete reimbursements for all property tax revenue losses to  
17 non-school local governments and represents lost revenue to school districts outside the  
18 state school funding formula. The high end of the range represents no state reimbursement  
19 payments to local governments beyond those to school districts required through the state's  
20 school funding formula.

21 **State spending.** The measure decreases state spending in state budget year 2024-25 by  
22 \$390 million, primarily for school finance but also from the elimination of relatively small  
23 reimbursements for some local governments that would occur under current law.  
24 Additionally, the measure will stop the implementation of the new school finance formula in  
25 House Bill 24-1448, beginning in FY 2025-26, which provides additional funding to school  
26 districts statewide. In state budget year 2025-26, state spending could range from  
27 \$630 million for required state spending on schools, up to \$1.7 billion depending on local  
28 government reimbursements under the measure as described above. In state budget year  
29 2026-27, state spending will increase by between \$480 million and \$1.5 billion.



# Proposition \_\_: Property Tax Assessment Rates

Placed on the ballot by citizen initiative • Passes with a majority vote

1 **Proposition \_\_ proposes amending the Colorado statutes to:**

- 2 • lower residential and nonresidential property tax assessment rates, beginning in  
3 the 2025 property tax year; and  
4 • direct the state to reimburse local governments for lost property tax revenue  
5 each year.

6 **What Your Vote Means**

7 **YES**

8 A “yes” vote on Proposition \_\_ reduces  
9 assessment rates beginning in property  
10 tax year 2025, and directs the state to  
11 reimburse local governments each year for  
12 lost property tax revenue due to the  
13 measure. These rate reductions would  
14 replace smaller reductions in a new law  
15 scheduled to take effect in property tax  
16 year 2024.

17 **NO**

18 A “no” vote on Proposition \_\_ means that  
19 assessment rates in the measure do not  
20 take effect. A “no” vote on both  
21 Proposition \_ and Amendment \_ allows a  
22 new law to take effect that provides  
23 smaller reductions in assessment rates  
24 beginning in tax year 2024 and imposes a  
25 new property tax revenue limit.

26 **Summary and Analysis of Proposition \_\_**

27 **What does the measure do?**

28 Beginning in property tax year 2025, Proposition \_\_ lowers property taxes compared to what  
29 would be owed without the measure. The measure lowers the assessment rates used to  
30 calculate property taxes to 5.7 percent for residential properties and 24 percent for all  
31 nonresidential properties, except for mines and oil and gas properties. Taxes for property tax  
32 year 2025 are paid in 2026.

33 The measure directs the state to annually reimburse local governments for lost property tax  
34 revenue as a result of the measure, although the legislature must pass a bill for these  
35 reimbursements to be paid.

1 Passing this measure would also cause a new law, Senate Bill 24-233,<sup>1</sup> not to take effect. This  
 2 new law lowers most property tax assessment rates compared to what they would be  
 3 otherwise and creates a property tax revenue limit. The interaction between Amendment \_\_,  
 4 Proposition \_\_, and Senate Bill 24-233 is described in more detail below.

### 5 **What are property taxes?**

6 In Colorado, there is no state property tax. Only local governments, which include counties,  
 7 school districts, cities, towns, and special districts, impose and collect property taxes. Local  
 8 governments use the revenue to fund public schools and local services such as road  
 9 maintenance, police departments, fire protection, water and sewer infrastructure, parks, and  
 10 libraries.

### 11 **How are property taxes calculated?**

12 Figure 1 illustrates how property taxes are calculated. Property taxes are paid on a portion of  
 13 a property's actual value. This portion is known as the taxable value, or assessed value, and is  
 14 calculated by taking the property's value, subtracting a portion of residential and commercial  
 15 values, and then multiplying by an assessment rate. The taxable value is then multiplied by  
 16 the local tax rate (known as a mill levy) to determine the taxes due. The amount of any  
 17 subtraction and the assessment rate are set by the state and vary based on the type of  
 18 property. Mill levies are set by the local government where the property is located.

#### 19 **Figure 1**

#### 20 **Example Residential Property Tax Calculation for 2023**

21 Property value of \$500,000, taxed at 80 mills, 6.7% assessment rate

22 **(Property value – Value subtraction) × Assessment rate = Taxable value**

23 (\$500,000 - \$55,000) × 6.7% = \$29,815 taxable value

24 **Taxable value × Tax rate (Mills/1000) = Property taxes**

25 \$29,815 × 0.08 = \$2,385 owed

### 26 **How does the measure impact property taxpayers?**

27 If this measure passes, it will replace assessment rate cuts scheduled to begin in 2024 with  
 28 bigger reductions, starting in tax year 2025. Rates will temporarily increase in 2024 to the  
 29 assessment rates that were in law prior to the passage of SB 24-233, before decreasing to  
 30 the rates specified in this measure in 2025. If this measure fails and Amendment \_\_ passes,  
 31 assessment rates will increase to the rates that were in law prior to the passage of SB 24-233.

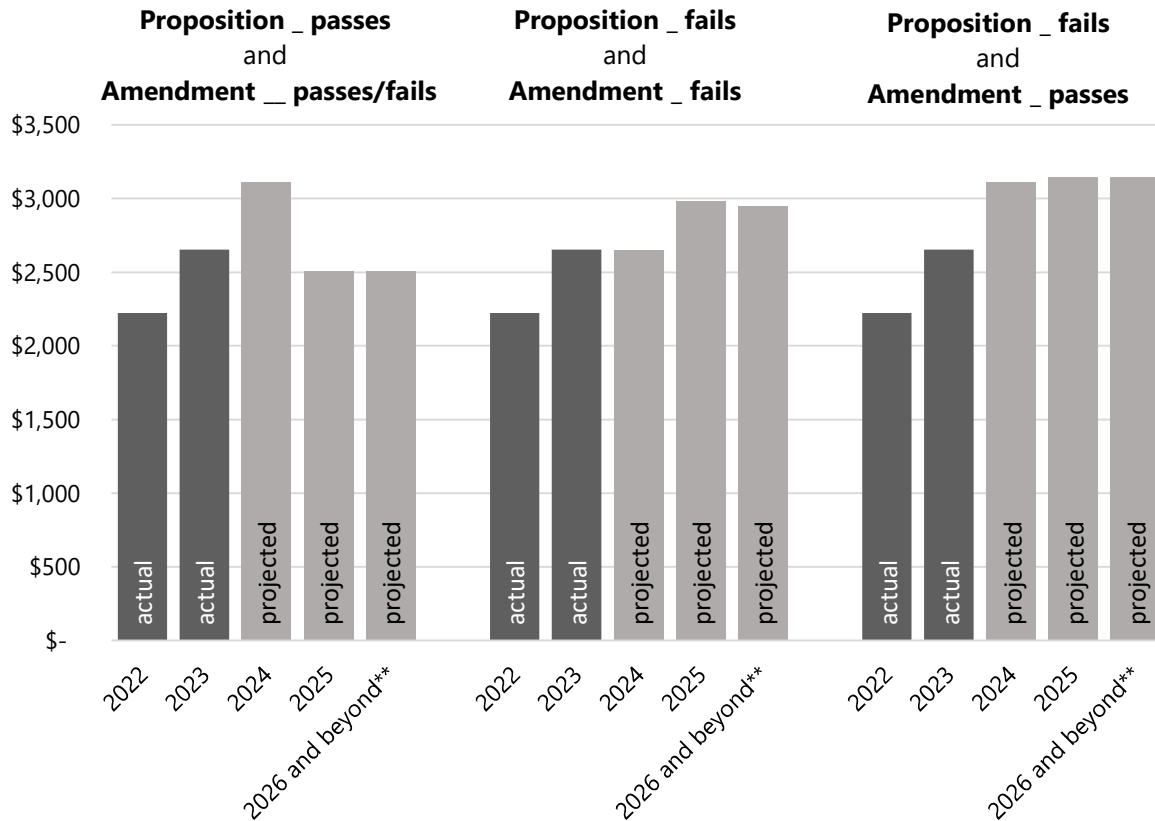
32 Figure 2 shows example residential property taxes as impacted by the possible ballot  
 33 outcomes from this measure and Amendment \_\_ for a typical home in the state, including  
 34 the increase in taxes most property owners experienced in 2023 with rising property values.

---

<sup>1</sup> <https://leg.colorado.gov/bills/sb24-233>

1  
2

**Figure 2**  
**Example Taxes on a Single Family Home\***



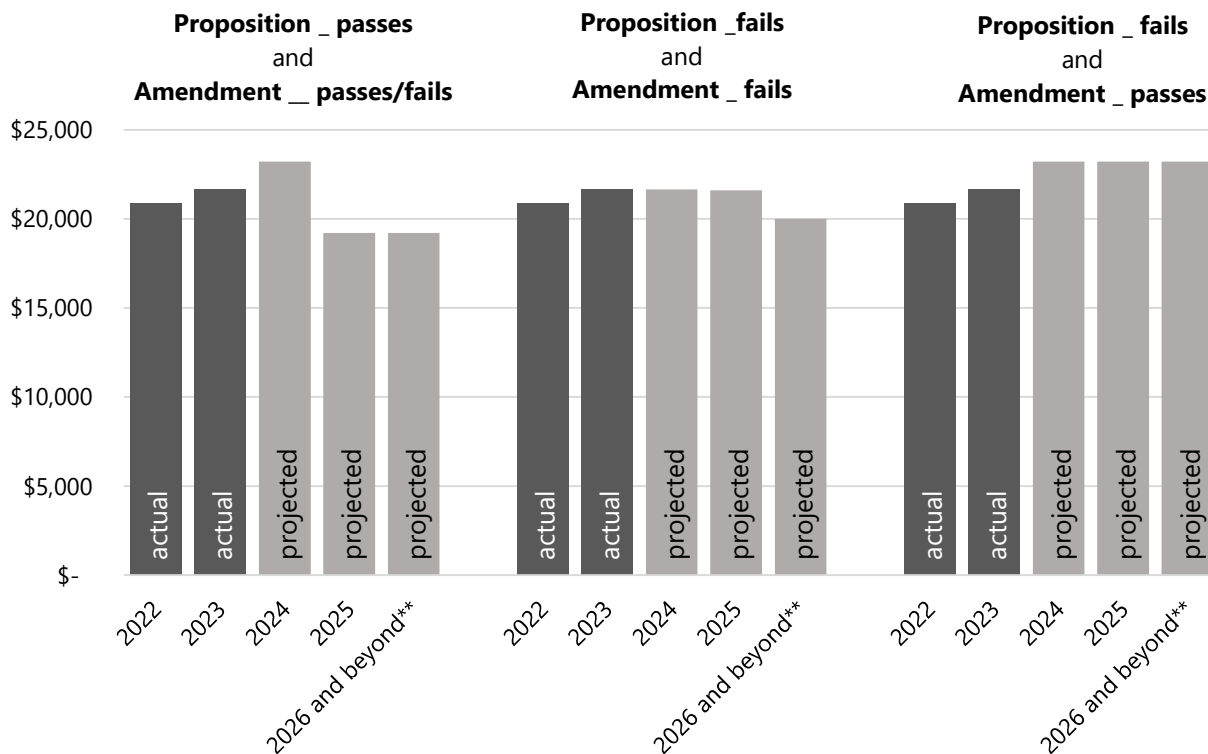
3 \*Example assumes 40 school district mills and 40 non-school district mills. Assumes a property valued at  
 4 \$400,000 in 2022, \$550,000 in 2023, and no growth in the 2025 reassessment year. Actual property taxes will  
 5 depend on local mill levies and property value.

6 \*\*Property taxes will still increase when property value increases.

7 Figure 3 shows example taxes for a commercial property in each of these scenarios. While  
 8 examples are not provided in this analysis, Proposition \_ also lowers assessment rates for  
 9 vacant land, state assessed, and industrial properties, beginning in 2025.

1  
2

**Figure 3**  
**Example Taxes on a Commercial Property\***



3 \*Example assumes 40 school district mills and 40 non-school district mills. Assumes a property valued at  
 4 \$900,000 in 2022 and \$1 million in 2023 and future years. Actual property taxes will depend on local mill  
 5 levies and property value.

6 \*\*Property taxes will still increase when property value increases.

7 **How does this measure impact local governments?**

8 Local governments will collect less property tax revenue than they would have collected  
 9 without the measure. The measure directs the state to reimburse local governments for lost  
 10 property tax revenue; however, the legislature must pass a bill for reimbursements to be  
 11 paid. The measure does not specify which local governments are eligible for reimbursement,  
 12 or how revenue loss is calculated. Reimbursements would shift a portion of local  
 13 government funding from local property tax collections to state General Fund dollars, which  
 14 primarily come from existing state income and sales taxes.

15 The revenue local governments lose as a result of the measure could be up to \$1.8 billion in  
 16 the first year, but may be offset in whole or in part by state reimbursements as approved by  
 17 the legislature.

**1 How does this measure impact the state budget?**

2 Depending on how the measure is implemented, it will result in the state spending between  
3 \$630 million and \$1.7 billion to make up for a portion of reduced local property tax revenue  
4 in the first year. These reimbursements will limit other areas of state spending for state  
5 services such as health care, K-12 schools, human services, and the judicial and corrections  
6 systems.

**7 How does the measure impact school funding?**

8 Under current law, the state covers the difference between local school district tax revenue,  
9 most of which is property tax, and an amount determined by a state formula for each school  
10 district. By reducing local property tax revenue for school districts, Proposition \_\_ requires  
11 the state to pay more to school districts to make up the difference, estimated to be  
12 \$630 million in 2025. This must be paid without reducing the amount spent from the state's  
13 dedicated fund for education, the State Education Fund. In 2024 only, the state portion of  
14 school finance is expected to decrease.

15 Some school districts collect property taxes outside the school funding formula for voter-  
16 approved purposes such as capital projects, operations, and salaries. Lower assessment rates  
17 will reduce revenue collected from these taxes. The state is not required to reimburse school  
18 districts for this lost revenue.

19 In addition, the state is currently implementing a new formula for allocating funding to  
20 school districts. By reducing property tax collections, this measure will stop the  
21 implementation of the new formula. This would result in less money for most school districts  
22 than under the new formula.

**23 What is Senate Bill 24-233 and how do Amendment \_\_ and Proposition \_\_ interact  
24 with it?**

25 In May 2024, the state legislature passed a bill, SB 24-233, that only goes into effect if both  
26 Amendment \_\_ and Proposition \_\_ do not pass. Among other things, the bill:

- 27 • lowers assessment rates from what they would otherwise be for residential and some  
28 non-residential property, beginning in 2024;
- 29 • creates a subtraction from a home's value that further reduces assessed value for  
30 property tax year 2024, and an ongoing subtraction equal to 10 percent of a home's  
31 value, up to \$70,000, beginning in 2026; and
- 32 • creates a 5.5 percent property tax limit on non-school local governments that are not  
33 already subject to other property tax revenue limits.

34 The different ways Amendment \_\_ and Proposition \_\_ interact with SB 24-233 are detailed in  
35 Table 1. For more information about Amendment \_\_ and how it interacts with SB 24-233, see  
36 page \_\_.

1  
2

**Table 1**  
**Potential Outcomes of Amendment \_\_ and Proposition \_\_**

<b>Outcomes for Ballot Measures</b>	<b>Amendment __ Passes</b>	<b>Amendment __ Fails</b>
<b>Proposition __ Passes</b>	<ul style="list-style-type: none"> <li>• Because SB 24-233 does not go into effect, assessment rates go up in 2024. However, they are permanently reduced by Proposition __ beginning in 2025.</li> <li>• The 4 percent statewide property tax revenue limit in Amendment __ goes into effect.</li> <li>• The 5.5 percent local property tax revenue limit in SB 24-233 does not go into effect.</li> </ul>	<ul style="list-style-type: none"> <li>• Because SB 24-233 does not go into effect, assessment rates go up in 2024. However, they are reduced by Proposition __ beginning in 2025.</li> <li>• No new property tax revenue limit, either from Amendment __ or SB 24-233.</li> </ul>
<b>Proposition __ Fails</b>	<ul style="list-style-type: none"> <li>• Because neither SB 24-233 nor Proposition __ goes into effect, assessment rates continue at higher rates.</li> <li>• The 4 percent statewide property tax revenue limit in Amendment __ goes into effect.</li> <li>• The 5.5 percent local property tax revenue limit in SB 24-233 does not go into effect.</li> </ul>	<ul style="list-style-type: none"> <li>• SB 24-233 goes into effect:               <ul style="list-style-type: none"> <li>○ Assessment rates are lowered beginning in 2024. Most rates are lower than they would be without SB 24-233, but higher than if Proposition __ had gone into effect.</li> <li>○ The 5.5 percent local property tax revenue limit in SB 24-233 goes into effect.</li> </ul> </li> <li>• The 4 percent statewide property tax revenue limit in Amendment __ does not go into effect.</li> </ul>

3 **How do the assessment rates in Proposition \_\_ compare to those in Senate Bill 24-233?**

4 SB 24-233 lowers assessment rates starting in 2024, whereas Proposition \_\_ lowers rates  
5 beginning in 2025.

6 Proposition \_\_ lowers assessment rates to 5.7 percent for residential properties and  
7 24 percent for all nonresidential properties, except for mines and oil and gas properties.

8 If neither Proposition \_\_ nor Amendment \_\_ passes, SB 24-233 includes temporary tax cuts  
9 for tax years 2024 and 2025 and then beginning in 2026, sets the permanent assessment  
10 rates at:

- 11 • 6.95 percent, after reduction in property value of 10 percent or up to \$70,000, for  
12 non-school district taxes on residential property;

- 1 • 7.15 percent for school district taxes on residential property;
  - 2 • 25 percent for commercial and agricultural property; and
  - 3 • 29 percent for all other nonresidential property, except for mines and oil and gas
  - 4 properties.
- 5 Detailed descriptions of the rates with and without SB 24-233 can be found here. [The Blue  
6 Book will include a link to a separate memo listing all the assessment rates in each scenario]

For information on those issue committees that support or oppose the measures on the ballot at the November 5, 2024, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:

<https://coloradosos.gov/pubs/elections/Initiatives/InitiativesHome.html>

## 7 **Arguments For Proposition \_\_**

- 8 1) Property taxes have soared in recent years, growing much faster than incomes and  
9 inflation. Beginning in 2025, the measure reduces property taxes for homeowners and  
10 small business owners across the state, who are already struggling with a high cost of  
11 living and doing business. The measure provides much needed property tax relief.
- 12 2) Passing Proposition \_\_ goes further than SB 24-233 by providing more long-term  
13 property tax relief. Even with this tax cut, local property tax revenue is still expected to be  
14 higher than before the recent spike in taxes. The measure gives policymakers the  
15 flexibility to ensure that state reimbursements are sufficient for local governments while  
16 protecting important state services.

## 17 **Arguments Against Proposition \_\_**

- 18 1) The large property tax reductions in Proposition \_\_ will require steep cuts to important  
19 state services, local services, or both. The measure's vague reimbursement requirement  
20 makes it impossible to know whether state or local services will be cut, and what  
21 programs will be lost. The measure is a heavy-handed cut and there is no way for voters  
22 to know in advance what services they are giving up.
- 23 2) The measure removes local governments' control over their finances. The measure shifts  
24 a portion of local government funding from property tax revenue to unreliable state  
25 reimbursements, compromising local governments' ability to secure long-term financing  
26 and plan for the future. Local governments should be in control of their own finances,  
27 with local elected officials accountable to voters in their district.

## 28 **Fiscal Impact of Proposition \_\_**

29 Proposition \_\_ decreases assessment rates for most classes of nonresidential property and  
30 for residential property beginning in the 2025 property tax year, decreasing local property  
31 tax revenue. By causing Senate Bill 24-233 not to take effect, the measure increases property  
32 taxes for the 2024 property tax year only. The measure directs the state to reimburse local

1 districts for lost revenue due to the measure, but legislation is needed for these  
2 reimbursements to occur. These impacts are discussed below. The state budget year runs  
3 from July 1 to June 30.

4 **Taxpayer impacts.** The measure increases property tax revenue paid by property owners by  
5 an estimated \$1 billion for property tax year 2024, compared with current law. The measure  
6 reduces local property taxes by up to \$2.4 billion for property tax year 2025, by up to  
7 \$2.2 billion for property tax year 2026, and by larger amounts in future years assuming  
8 growth in property values. Decreased property taxes increase the amount of after-tax  
9 income available for property owners to spend, save, or invest elsewhere in the economy.

10 **Local government impact.** Proposition \_\_ increases revenue to local governments  
11 statewide, on net, by \$660 million for property tax year 2024. For later years, the measure  
12 decreases local government revenue, but the amount of the net decrease depends on the  
13 amount of reimbursements paid by the state, if any. Depending on the reimbursements, the  
14 measure will decrease revenue by between \$700 million and \$1.8 billion for property tax year  
15 2025, and by between \$700 million and \$1.7 billion for property tax year 2026. The low end  
16 of the range assumes complete reimbursements for all property tax revenue losses to  
17 non-school local governments and represents lost revenue to school districts outside the  
18 state school funding formula. The high end of the range represents no state reimbursement  
19 payments to local governments beyond those to school districts required through the state's  
20 school funding formula.

21 **State spending.** The measure decreases state spending in state budget year 2024-25 by  
22 \$390 million, primarily for school finance but also from the elimination of relatively small  
23 reimbursements for some local governments that would occur under current law.  
24 Additionally, the measure will stop the implementation of the new school finance formula in  
25 House Bill 24-1448, beginning in FY 2025-26, which provides additional funding to school  
26 districts statewide. In state budget year 2025-26, state spending could range from  
27 \$630 million for required state spending on schools, up to \$1.7 billion depending on local  
28 government reimbursements under the measure as described above. In state budget year  
29 2026-27, state spending will increase by between \$480 million and \$1.5 billion.



# Last Draft Comments from Interested Parties

## **Initiative 108 Property Tax Assessment Rates**

**Dianne Criswell, representing the Special District Association of Colorado:**

Dear Legislative Council colleagues,

Thank you for the opportunity to review this third draft and provide our feedback on behalf of the Special District Association of Colorado.

We appreciate the consideration of our local government perspective and for the revisions that you found appropriate to make to date.

In addition to the below feedback on the third draft, we reiterate our earlier comments on the first and second drafts that may not yet be reflected in the Ballot Analysis.

### Comment on the section "What does the measure do?"

In this section of the third draft, we appreciate the statement that the Legislature "must pass a bill" for reimbursements, which reflects the repealer in current law for that statutory section.

We strongly believe that a further statement in that section, or a revision of that statement, is necessary for voters to have accurate information. If no further action is taken by the legislature, that no reimbursements will be made – or that the default is that there will be no reimbursements, without action to pass a law on the part of the Legislature.

### Comment on the section "How does this measure impact local governments?"

In this section of the third draft, we appreciate the inclusion of the estimated first year's property tax revenue impacts because that information is necessary for voters. That statement continues that the tax revenue impacts may be offset in whole or in part by state reimbursements.

We believe that a statement is necessary in this section that if the Legislature takes no action, no reimbursements to local governments will be made. Further, we believe that some amount of state fiscal information is necessary to provide essential context to the possible range of reimbursements. With other unavoidable obligations or caseloads, the state is not likely to provide anywhere near the upper range reimbursement for tax revenue losses.

## Last Draft Comments from Interested Parties

Finally, state reimbursements to local governments for similar temporary tax relief measures over the last several years have changed – therefore, we urge the inclusion of the state backfill represented as a % of non-school local government losses from SB21-293, SB22- 238, SB23B-001, and SB24-233 (if effective) as relevant context and necessary information for voters.

If you have any questions or need additional information, please let us know.

Sincerely,  
Dianne Criswell  
Chief Legal Counsel  
Special District Association of Colorado  
225 E 16th Ave Suite 1000  
Denver, CO 80203  
303.863.1733 office  
dianne@sdaco.org

**Initiative 108**  
**Property Tax Assessment Rates**  
**Contact List**

<b>Interested Party</b>	<b>Organization Name</b>	<b>Email Address</b>
Rachel Amspoker	Colorado Association of School Boards	ramspoker@casb.org
COLE ANDERSON	Common Sense Institute	cole@csinstitute.co.org
Amy Attwood	Attwood Public Affairs	amy@amyattwood.com
Amie Baca-Oehlert	Colorado Education Association	abaca@coloradoea.org
Sarah Barnes		sarahb@coloradokids.org
Joshua Barnett		eoval75@gmail.com
Michael Beasley	5280 Strategies	mike@5280strategies.com
Martha Beavers	DNR, CPW	martha.beavers@state.co.us
Aly Belknap	Colorado Common Cause	abelknap@commoncause.org
Rachel Bender	Colorado Municipal League	rbender@cml.org
Gayle Berry	G Berry Corp	gayle@gberrycorp.com
Angie Binder		angiebinder@msn.com
Ed Bowditch	Bowditch & Cassell Public Affairs	ed.bowditch@bcpublicaffairs.com
David Broadwell		david.broadwell.denver@gmail.com
Chris Brown	Common Sense Institute	chris@csinstitute.co.org
Douglas Bruce	not a collectivist	Taxcutter@msn.com
Gary and Annette Budd		annettelbudd@gmail.com
Theodore Cahoon		tjcahoon@yahoo.com
Jon Caldara	Independence Institute	jc@i2i.org
Bronwen Cartwright		bronwen.cartwright.house@gmail.com
NATALIE CASTLE		natalie.castle@coleg.gov
Mark Chapin	Eagle County	mark.chapin@eaglecounty.us
Megan Cloherty	KOAA News 5	megan.cloherty@koaa.com
Crystal Collins	Colorado Department of Higher Education	Crystal.Collins@dhe.state.co.us
Dianne Criswell	SDA	dianne@sdaco.org
Dave Davia	Colorado Concern	dave@coloradoconcern.com
Cody Davis	Mesa County	cody.davis@mesacounty.us
Megan Davisson	Cornerstone Government Affairs	mdavisson@cgagroup.com
Chris deGruy Kennedy		chris.kennedy.house@coleg.gov
Brenda Dones	Weld County Assessor's Office	bdones@weld.gov
PATRICIA DORSEY		patty61@gmail.com
Sean Dougherty		Sean@HawaiianShirtGuy.com
Kristin Dunn	Colorado Counties, Inc.	KDUNN@CCIONLINE.ORG
Mallory Feeney	House Dems	mallory.feeney.house@gmail.com
Chris Fiandaca	Town of Parker	cfiandaca@parkerco.gov
Michael Fields	Advance Colorado	mikefields22@yahoo.com

**Initiative 108**  
**Property Tax Assessment Rates**  
**Contact List (Cont.)**

<b>Interested Party</b>	<b>Organization Name</b>	<b>Email Address</b>
Lisa Frizell		lfrizell@gmail.com
Logan Fry	Brownstein Hyatt Farber Schreck	lfry@bhfs.com
Loren Furman	COLORADO Chamber of Commerce	lfurman@cochamber.com
Cory Gaines	CTG	corytgaines@gmail.com
Erik Gamm	Common Sense Institute	erik@csinstitute.org
Hazel Gibson	ProgressNow Colorado	hazel@progressnowcolorado.org
Nathaniel Golich	Colorado Education Association	ngolich@coloradoea.org
Dan Graeve	LCS	dan.graev@coleg.gov
Karlin Gray	House Majority	karlin.gray.house@gmail.com
Kathryn Hallahan		kthhllhn@gmail.com
Chris Hansen		chris.hansen.senate@coleg.gov
kimberly hanson		kimberlyjane1603@gmail.com
Elizabeth Haskell	Colorado Municipal League	ehaskell@cml.org
Kiera Hatton	Cobalt	kiera@cobaltadvocates.org
Joseph Herrera	COWINS 1876	jherrera@cowins.org
Taylor Hickerson		taylor.j.hickerson@gmail.com
Barbara Holme	DU-OLLI Osher Lifelong Learning Institute	bshawhollme@gmail.com
E J Kelly Hunter		kellygrn@comcast.net
BallotAccount Initiative 50 and 108		propertytax2024@coleg.gov
Chuck Jensen	Aims Community College	chuck.jensen@aims.edu
Brett Johnson	Aurora Public Schools	bjjohnson@aurorak12.org
Alex Jordan	Larimer County Government	jordanac@co.larimer.co.us
Suzanne Keim		suzanne.keim@coleg.gov
Kelli Kelty		kkelty@politicalworks.net
Cathy Kipp	Colorado House of Representatives	cathykipp52@gmail.com
Rebecca Kisner	House Majority	rebecca.kisner.house@gmail.com
Riley Kitts	Colorado Children's Campaign	riley@coloradokids.org
Katie Kolupke	LCS	katie.kolupke@coleg.gov
Melinda Kraus	CDOR	melinda.kraus@state.co.us
Andrea Kuwik		kuwik@bellpolicy.org
Lori Laske	Alamosa County	llaske@alamosacounty.org
Heather Lin	Arapahoe County	hlin@arapahoe.gov
Pierce Lively	Office of Legislative Legal Services	pierce.lively@coleg.gov
Deborah Lively	LeadingAge Colorado	deborah@leadingagecolorado.org
Elizabeth Lo	Husch Blackwell Strategies	elizabethl@hbstrategies.us
Fiona Lytle	Colorado Community College System	fiona.lytle@cccs.edu

**Initiative 108**  
**Property Tax Assessment Rates**  
**Contact List (Cont.)**

<b>Interested Party</b>	<b>Organization Name</b>	<b>Email Address</b>
Meghan MacKillop	Nexus Policy Group	meghan@nexuspolicygroup.com
Joshua Mantell	The Bell Policy Center	mantell@bellpolicy.org
Rich Mauro	Denver Regional Council of Governments	rmpeoplespalate@gmail.com
Sophia Mayott-Guerrero	ACLU-CO	smayott-guerrero@aclu-co.org
Jean McAllister	JGM Consulting, LLC	jeangmcallister@aol.com
Susan Meek		susandmeek@gmail.com
N Menten	self on some issues (also a board director for the Taxpayer's Bill of Rights Foundation)	coloradoengaged@gmail.com
Sarah Mercer	Brownstein	smercerc@bhfs.com
David Meschke	Brownstein Hyatt Farber Schreck	dmeschke@bhfs.com
Erin Meschke	none	mrs_meschke@hotmail.com
Joe Meyer		thejoemeyer@gmail.com
Mark Micono	Raytheon	q3c6y6@netscape.net
Gary Evan Miller	Citizen of Colorado	GaryEvanMiller@msn.com
Nicole Milo		nicolemilo@centura.org
Perrine Monnet	Policy Analyst, Bell Policy Center	monnet@bellpolicy.org
Meredith Moon	Institute of Evidence-based Policymaking	meredith.moon@evidence-based.org
Kurt Morrison	Office of the Attorney General	kurtis.morrison@coag.gov
Maud Naroll	League of Women Voters of Colorado Legislative Action Committee	maudlwv@gmail.com
Kiyana Newell	New Era Colorado	Kiyana@neweracolorado.org
Dan O'Connell	UnitedHealth Group	dan_oconnell@uhg.com
Robert Olme	self	bolme@westmetrofire.org
chae park		chae@slpublicaffairs.com
Dylan Peper		dylanpeper13@gmail.com
Catherine Perrone	League of Women Voters	lwvcovote411@gmail.com
Jonathan Pira		pitoccojc@gmail.com
Carl Plant	CO House Dems	carl.plant.house@gmail.com
Tamara Pogue	Summit County Government	tamara.pogue@summitcountyco.gov
Megara Pullen	V-V Ranch, LLC	megara.pullen@gmail.com
Athena Ralles Martinez	House Minority Office	athena.rallesmartinez.house@gmail.com
Edward Ramey	Tierney Lawrence Stiles LLC	eramey@TLS.legal
Sarah Regan		sarah.regan@coleg.gov
Frances Rinard	Splash 2.0/Na/wab3 blackchane Facebook mata	rinardfrances@yahoo.com

**Initiative 108**  
**Property Tax Assessment Rates**  
**Contact List (Cont.)**

<b>Interested Party</b>	<b>Organization Name</b>	<b>Email Address</b>
Chaer Robert	Colorado Center on Law and Policy	crobert@copolicy.org
Dylan Roberts		senatordylanroberts@gmail.com
Katelyn Roberts		kateroberts@76.group
Nancy Rodgers	City and County of Broomfield	nrodgers@broomfield.org
Alec Romero		alec@capitolsuccess.com
Ryan Romero	Capitol Success Group	ryan@capitolsuccess.com
Jarret Rush		radio@rush-family.org
Bennett Rutledge	Colorado by Consent of the Governed	rutledges@peoplepc.com
Katie Ryan	Denver Health	katie.ryan@dhha.org
Su Ryden	AAUW--American Association of University Women of Colorado	suryden25@gmail.com
Stacy Sager	Temu	stacysager80@gmail.com
Feliz Sanchez Garcia	CO House Dems	feliz.sanchezgarcia.house@gmail.com
Toni Sarge	Colorado Children's Campaign	toni@coloradokids.org
Paula Sarlls	Paula Sarlls	paulasarlls@comcast.net
Julia Scanlan	Counties & Commissioners Acting Together (CCAT)	julia.scanlan@coloradoccat.org
Dan Schaller	Colorado League of Charter Schools	dschaller@coloradoleague.org
Caitlin Schneider		schneider@coloradofiscal.org
David Schultheis	Self	dave@schultheisforcolorado.com
Jeremy Schupbach	Colorado Municipal League	jschupbach@cml.org
Julia Selby	Colorado Housing and Finance Authority	jselby@chfainfo.com
Cat Simons		csimons1995@gmail.com
Jake Smith	CSI	info@csinstituteco.org
Henry Sobanet		Henry.Sobanet@colostate.edu
Ken Sparks	HopeChest.org	ken.sparks.co@gmail.com
Erin Spaur	CCA	erin@coloradocattle.org
Danielle Sterle		danielle.sterle@mesacounty.us
Brett Stewart	City of Loveland	brett.stewart@cityofloveland.org
David Stiver	Team Strategy Inc.	team@teamstrategy.org
Janet Tanner		tannerjj@gmail.com
Erica Tinsley	ACLU of Colorado	etinsley@aclu-co.org
Heather Tritten	Colorado Children's Campaign	heather@coloradokids.org
Mark Turner	Colorado Department of Human Services	mark.turner@state.co.us
Michael Valdez	Special District Association of Colorado	michael@sdaco.org
Mayra Valdez	Siegel Long Public Affairs	mayra@slpublicaffairs.com
Jackie Vanderburg	Colorado Concern	jackie@coloradoconcern.com

**Initiative 108**  
**Property Tax Assessment Rates**  
**Contact List (Cont.)**

<b>Interested Party</b>	<b>Organization Name</b>	<b>Email Address</b>
Brittany Vessely	Colorado Catholic Conference	bvessely@cocatholic.org
Kevin Vick	Colorado Education Association	kvick@coloradoea.org
Anne Wallace		anne.wallace@denvergov.org
Carol Ward	Self	cjward_11@comcast.net
Brandon Wark		brandon.wark@gmail.com
Scott Wasserman		sjwasserman1@gmail.com
Kate Watkins	Bright Fox Analytics	kate@brightfoxanalytics.com
Tony Werckman	DOLA - DPT	tony.werckman@state.co.us
Karen Wick	Swift Strategies LLC	karen@swift-strategies.com
Justin Wills	AFSCME	jwills@afscme.org
Geoff Withers	League of Women Voters Colorado	geoff@gwithers.com
		tiffany@agnc.org
		keyonnavolunteerautism@yahoo.com
		kbaker@larimer.org
		dmvanewsletter@gmail.com
		ageekeys@gmail.com
		Jake@i2i.org
		cynthia.thayer@state.co.us
Ken		ken@dreamofgolf.com

## Initiative 108

### Property Tax Assessment Rates

1 **Ballot Title:**

2 Shall funding available for counties, school districts, water districts, and other districts funded, at least in part, by  
3 property taxes shall be impacted by a reduction of \$3 billion in property tax revenue by a change to the Colorado  
4 Revised Statutes concerning a reduction of the valuation for assessment of certain real property for property tax  
5 years commencing on or after January 1, 2025, and, in connection therewith, reducing the valuation for tax  
6 assessment for property other than residential real property, producing mines, and oil and gas lands to 24% of  
7 the property's actual value; reducing the valuation for tax assessment for residential real property to 5.7% of the  
8 property's actual value; requiring the state to reimburse local districts for revenue lost as a result of these  
9 changes; and requiring the state to maintain current funding for the state education fund?

10 **Text of Measure:**

11 *Be it Enacted by the People of the State of Colorado:*

12 **SECTION 1.** In Colorado Revised Statutes, 39-1-102 **repeal and reenact** (14.5) as follows:

13 **39-1-102. Definitions.**

14 As used in articles 1 to 13 of this title 39, unless the context otherwise requires:

15 (14.5) "RESIDENTIAL REAL PROPERTY" MEANS RESIDENTIAL LAND AND RESIDENTIAL IMPROVEMENTS, INCLUDING MULTI-FAMILY  
16 RESIDENTIAL REAL PROPERTY AS DEFINED IN SECTION 39-1-104.2(1)(a), BUT DOES NOT INCLUDE HOTELS AND MOTELS AS DEFINED IN  
17 SUBSECTION (5.5) OF THIS SECTION.

18 **SECTION 2.** In Colorado Revised Statutes, 39-1-104 **repeal and reenact** (1) as follows:

19 **39-1-104. Valuation for Assessments - definitions.** (1) THE VALUATION FOR ASSESSMENT OF ALL TAXABLE PROPERTY IN THE  
20 STATE SHALL BE TWENTY-FOUR PERCENT OF THE ACTUAL VALUE OF THE PROPERTY FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER  
21 JANUARY 1, 2025. THE ACTUAL VALUE THEREOF AS DETERMINED BY THE ASSESSOR AND THE ADMINISTRATOR IN THE MANNER  
22 PRESCRIBED BY LAW, AND SUCH PERCENTAGE SHALL BE UNIFORMLY APPLIED, WITHOUT EXCEPTION, TO THE ACTUAL VALUE, SO  
23 DETERMINED, OF THE VARIOUS CLASSES AND SUBCLASSES OF REAL AND PERSONAL PROPERTY LOCATED WITHIN THE TERRITORIAL LIMITS OF  
24 THE AUTHORITY LEVYING A PROPERTY TAX, AND ALL PROPERTY TAXES SHALL BE LEVIED AGAINST THE AGGREGATE VALUATION FOR  
25 ASSESSMENT RESULTING FROM THE APPLICATION OF SUCH PERCENTAGE. THIS SUBSECTION (1) SHALL NOT APPLY TO RESIDENTIAL REAL  
26 PROPERTY, PRODUCING MINES, AND LANDS OR LEASEHOLDS PRODUCING OIL OR GAS.

27 **SECTION 3.** In Colorado Revised Statutes, 39-1-104.2 **repeal and reenact** (3)(r) as follows:

28 **39-1-104.2. Adjustment of residential rate - legislative declaration - definitions.** (3)(r) THE VALUATION FOR  
29 ASSESSMENT FOR RESIDENTIAL REAL PROPERTY IS 5.7 PERCENT OF THE ACTUAL VALUE OF THE PROPERTY FOR PROPERTY TAX YEARS  
30 COMMENCING ON OR AFTER JANUARY 1, 2025.

31 **SECTION 4.** In Colorado Revised Statutes, 39-3-210 **add** (8) as follows:

32 **39-3-210. Reporting of property tax revenue reductions - reimbursement of local governmental entities -**  
33 **definitions - local government backfill cash fund - creation - repeal.** (8) NO LATER THAN APRIL 15 OF EACH YEAR,  
34 THE STATE TREASURER SHALL ISSUE A WARRANT, TO BE PAID YEARLY FROM THE GENERAL FUND TO REIMBURSE LOCAL DISTRICTS FOR LOST  
35 REVENUE AS A RESULT OF THE PASSAGE OF THIS MEASURE.



36 **SECTION 5.** In Colorado Revised Statutes, 39-3-210, **repeal and reenact** (7) as follows:

37 In order to insulate school districts from REVENUE LOSS DUE TO THE PASSAGE OF THIS MEASURE, any reduction in revenue  
38 attributed to the voter approval of this measure shall not reduce funding for the STATE EDUCATION FUND as created  
39 in SECTION 17 (4) OF ARTICLE IX OF THE STATE CONSTITUTION.

40 **SECTION 6.** Effective Date.

41 This act takes effect on January 1, 2025.