

STATE OF COLORADO

Colorado General Assembly

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MEMORANDUM

TO: Dave Davia and Michael Fields
FROM: Legislative Council Staff and Office of Legislative Legal Services
DATE: March 20, 2024
SUBJECT: Proposed initiative measure 2023-24 #246, concerning property taxes

Section 1-40-105 (1), Colorado Revised Statutes, requires the directors of the Colorado Legislative Council and the Office of Legislative Legal Services to "review and comment" on initiative petitions for proposed laws and amendments to the Colorado constitution. We hereby submit our comments to you regarding the appended proposed initiative.

The purpose of this statutory requirement of the directors of Legislative Council and the Office of Legislative Legal Services is to provide comments intended to aid proponents in determining the language of their proposal and to avail the public of knowledge of the contents of the proposal. Our first objective is to be sure we understand your intent and your objective in proposing the amendment. We hope that the statements and questions contained in this memorandum will provide a basis for discussion and understanding of the proposal.

This initiative was submitted with a series of initiatives including proposed initiatives 2023-2024 ##244 to 249. The comments and questions raised in this memorandum will not include comments and questions that were addressed in the memoranda for proposed initiatives 2023-2024 ##244 and 245 and ##247 to 249, except as necessary to fully understand the issues raised by the revised proposed initiative. Comments and questions addressed in those other memoranda may also be relevant, and those questions and comments are hereby incorporated by reference in this memorandum.

Earlier versions of this proposed initiative, proposed initiatives 2023-2024 ##198 to 200, were the subject of memoranda dated February 19, 2024, which were discussed at

a public meeting on February 23, 2025. The substantive and technical comments and questions raised in this memorandum will not include comments and questions that were addressed at the earlier meetings, except as necessary to fully understand the issues raised by the revised proposed initiative. However, the prior comments and questions that are not restated here continue to be relevant and are hereby incorporated by reference in this memorandum.

Purposes

The major purposes of the proposed amendment to the Colorado Revised Statutes appear to be:

1. Lowering the valuation for assessment of all taxable property in the state, excepting residential real property, producing mines, lands or leaseholds producing oil or gas, and agricultural lands exclusive of building improvements thereon, on or after January 1, 2025, from twenty-nine percent to twenty-five and one-half percent of actual value;
2. Lowering the valuation for assessment for residential real property, on or after January 1, 2025, from seven and fifteen-hundredths to five and three-tenths percent of actual value;
3. No later than April 15 of each year, requiring the state treasurer to issue a warrant to reimburse local districts for lost revenue as a result of the passage of the proposed initiative;
4. Requiring the general assembly to appropriate reimbursements to the maximum extent practicable; and
5. Requiring that any reduction in revenue attributed to the statewide property tax revenue limit will not reduce funding for the state education fund.

Substantive Comments and Questions

There are no new substantive comments for this proposed initiative.

Technical Comments

There are no new technical comments for this proposed initiative.