

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

**SECTION 1.** In the constitution of the state of Colorado, **amend** section 3 of article X as follows:

**Section 3. Uniform taxation – exemptions.** (1)(a) Each property tax levy shall be uniform upon all real and personal property not exempt from taxation under this article located within the territorial limits of the authority levying the tax. The actual value of all real and personal property not exempt from taxation under this article shall be determined under general laws, which shall prescribe such methods and regulations as shall secure just and equalized valuations for assessments of all real and personal property not exempt from taxation under this article. Valuations for assessment shall be based on appraisals by assessing officers to determine the actual value of property in accordance with provisions of law, which laws shall provide that actual value be determined by appropriate consideration of cost approach, market approach, and income approach to appraisal, EXCEPT THAT ACTUAL VALUE SHALL NOT BE INCREASED ANNUALLY BY MORE THAN INFLATION, LIMITED TO THREE PERCENT, FOR PROPERTIES WITH ACTUAL APPRAISED VALUE OF LESS THAN THREE MILLION DOLLARS, ADJUSTED FOR INFLATION. However, the actual value of residential real property shall be determined solely by consideration of cost approach and market approach to appraisal, EXCEPT THAT ACTUAL VALUE SHALL NOT BE INCREASED ANNUALLY BY MORE THAN INFLATION, LIMITED TO THREE PERCENT, FOR SINGLE-FAMILY RESIDENTIAL REAL PROPERTIES WITH ACTUAL APPRAISED VALUE OF LESS THAN TWO MILLION DOLLARS, ADJUSTED FOR INFLATION; and, however, the actual value of agricultural lands, as defined by law, shall be determined solely by consideration of the earning or productive capacity of such lands capitalized at a rate as prescribed by law. NOTHING IN THIS SUBSECTION (1)(a) OF SECTION 3 OR ARTICLE X OF THE CONSTITUTION SHALL BE CONSTRUED TO CHANGE THE APPLICABILITY OF THE HOMESTEAD EXEMPTION FOR QUALIFYING SENIORS AND QUALIFYING DISABLED VETERANS AS SET FORTH IN SECTION 3.5 OF ARTICLE X OF THE CONSTITUTION.

**SECTION 2.** In Colorado Revised Statutes, 24-77-103.6, **add** (1)(c) as follows:

**24-77-103.6. Retention of excess state revenues – general fund exempt account – required uses – excess state revenues legislative report -- definitions.** (1)(c) NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, FOR EACH FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2024, THE STATE IS AUTHORIZED TO RETAIN AND SPEND, AS A VOTER-APPROVED REVENUE CHANGE, STATE REVENUES IN EXCESS OF THE LIMITATION ON STATE FISCAL YEAR SPENDING THAT THE STATE WOULD OTHERWISE BE REQUIRED TO REFUND UNDER SECTION 20(7)(d) OF ARTICLE X OF THE STATE CONSTITUTION, FOR PURPOSES OF:

(i) SUPPLEMENTING THE STATE'S SHARE OF A DISTRICT'S TOTAL PROGRAM AS DEFINED IN SECTION 22-54-106(1)(b), C.R.S., OF THE PUBLIC SCHOOL FINANCE ACT OF 1994, OR ANY SUCCESSOR ACT, TO OFF-SET ANY REDUCTION IN REVENUE AVAILABLE TO FUND THE DISTRICT'S SHARE OF TOTAL PROGRAM FUNDING AS A RESULT OF THE CONSTITUTIONAL LIMITATION ON ANNUAL INCREASES IN ACTUAL VALUE OF CERTAIN PROPERTIES ADOPTED BY THE VOTERS AT THE 2023 ODD-YEAR ELECTION;

(ii) FUNDING PAYMENTS OR GRANTS TO LOCAL GOVERNMENT ENTITIES OR SPECIAL DISTRICTS FOR FIRE PROTECTION PROGRAMS, SERVICES, AND EQUIPMENT TO OFF-SET ANY REDUCTION IN REVENUE FOR THESE PURPOSES AS A RESULT OF THE CONSTITUTIONAL LIMITATION ON ANNUAL INCREASES IN ACTUAL VALUE OF CERTAIN PROPERTIES ADOPTED BY THE VOTERS AT THE 2023 ODD-YEAR ELECTION; AND

(iii) FUNDING PAYMENTS OR GRANTS TO LOCAL GOVERNMENT ENTITIES OR SPECIAL DISTRICTS FOR WATER CONSERVATION PROGRAMS AND SERVICES TO OFF-SET ANY REDUCTION IN REVENUE FOR THESE PURPOSES AS A RESULT OF THE CONSTITUTIONAL LIMITATION ON ANNUAL INCREASES IN ACTUAL VALUE OF CERTAIN PROPERTIES ADOPTED BY THE VOTERS AT THE 2023 ODD-YEAR ELECTION.

**SECTION 3. Effective Date:**

This act takes effect on the date of the proclamation of the Governor announcing the approval, by the registered electors of the state, of the proposed initiative.