

HOUSE FLOOR AMENDMENT

Second Reading

BY REPRESENTATIVE Frizell

1 Strike the Appropriations Committee Report, dated May 6, 2023, and
2 substitute:

3 "Amend reengrossed bill, strike everything below the enacting clause and
4 substitute:

5 "SECTION 1. In Colorado Revised Statutes, 39-1-103, **amend**
6 (15); and **add** (19) as follows:

7 **39-1-103. Actual value determined - when - legislative**
8 **declaration - definitions.** (15) The general assembly hereby finds and
9 declares that assessing officers shall give appropriate consideration to the
10 cost approach, market approach, and income approach to appraisal as
11 required by section 3 of article X of the state constitution in determining
12 the actual value of taxable property. In the absence of evidence shown by
13 the assessing officer that the use of the cost approach, market approach,
14 and income approach to appraisal requires the modification of the actual
15 value of taxable property for the first year of a reassessment cycle in order
16 to result in uniform and just and equal valuation for the second OR LATER
17 year of a reassessment cycle, the assessing officer shall consider the
18 actual value of any taxable property for the first year of a reassessment
19 cycle, as may have been adjusted as a result of protests and appeals, if
20 any, prior to the assessment date of the second OR LATER year of a
21 reassessment cycle, to be the actual value of such taxable property for the
22 second OR LATER year of a reassessment cycle.

23 (19) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
24 SECTION, FOR THE 2023 PROPERTY TAX YEAR, THE ACTUAL VALUE OF A
25 PROPERTY SHALL EQUAL ONE HUNDRED TEN PERCENT OF THE ACTUAL
26 VALUE, AS DETERMINED IN ACCORDANCE WITH SECTION 3 OF ARTICLE X
27 OF THE STATE CONSTITUTION, OF THE SAME PROPERTY FOR THE 2022
28 PROPERTY TAX YEAR.

29 (b) (I) SUBSECTION (19)(a) OF THIS SECTION DOES NOT APPLY TO
30 A PROPERTY THAT HAS AN UNUSUAL CONDITION THAT RESULTS IN AN
31 INCREASE IN ACTUAL VALUE.

32 (II) AS USED IN THIS SUBSECTION (19), AN "UNUSUAL CONDITION"
33 MEANS AN ON-SITE IMPROVEMENT, THE ENDING OF THE ECONOMIC LIFE OF
34 AN IMPROVEMENT WITH ONLY SALVAGE VALUE REMAINING, THE ADDITION
35 TO OR REMODELING OF A STRUCTURE, A CHANGE OF USE OF LAND, THE
36 CREATION OF A CONDOMINIUM OWNERSHIP OF REAL PROPERTY AS
37 RECOGNIZED IN THE "CONDOMINIUM OWNERSHIP ACT", ARTICLE 33 OF
38 TITLE 38, A NEW REGULATION RESTRICTING OR INCREASING THE USE OF

1 THE LAND, THE INSTALLATION AND OPERATION OF SURFACE EQUIPMENT
2 RELATING TO OIL AND GAS WELLS ON AGRICULTURAL LAND, A
3 DETRIMENTAL ACT OF NATURE, AND DAMAGE DUE TO ACCIDENT,
4 VANDALISM, FIRE, OR EXPLOSION. THE CREATION OF A CONDOMINIUM
5 OWNERSHIP OF REAL PROPERTY BY THE CONVERSION OF AN EXISTING
6 STRUCTURE IS CONSIDERED AN UNUSUAL CONDITION FOR PURPOSES OF
7 THIS SUBSECTION (19), WHEN AT LEAST FIFTY-ONE PERCENT OF THE
8 CONDOMINIUM UNITS, AS DEFINED IN SECTION 38-33-103 (1), IN A
9 MULTIUNIT PROPERTY SUBJECT TO CONDOMINIUM OWNERSHIP HAVE BEEN
10 SOLD AND CONVEYED TO BONA FIDE PURCHASERS AND DEEDS HAVE BEEN
11 RECORDED FOR THOSE UNITS.

12 (c) AS USED IN THIS SUBSECTION (19), "PROPERTY" MEANS REAL
13 PROPERTY, AS DEFINED IN SECTION 39-1-102 (14), EXCLUSIVE OF
14 PRODUCING MINES AND NONPRODUCING MINING CLAIMS, LEASEHOLDS AND
15 LANDS PRODUCING OIL AND GAS, THE OPERATING PROPERTY AND PLANTS
16 OF ALL PUBLIC UTILITIES DOING BUSINESS IN THE STATE, AND MOBILE
17 HOMES.

18 **SECTION 2.** In Colorado Revised Statutes, 39-1-104, **amend**
19 (1)(b), (1.8)(b) introductory portion, (1.8)(b)(I), and (10.2)(b); and **add**
20 (12)(d) as follows:

21 **39-1-104. Valuation for assessment - definitions.**
22 (1) (b) Notwithstanding subsection (1)(a) of this section, for the property
23 tax ~~year~~ YEARS commencing on January 1, 2023, AND JANUARY 1, 2024,
24 the valuation for assessment of nonresidential property that is classified
25 as lodging property is temporarily reduced to twenty-seven and
26 nine-tenths percent of an amount equal to the actual value. ~~minus the~~
27 ~~lesser of thirty thousand dollars or the amount that reduces the valuation~~
28 ~~for assessment to one thousand dollars.~~

29 (1.8) (b) The valuation for assessment of all nonresidential
30 property that is not specified in subsection (1) or (1.8)(a) of this section
31 is twenty-nine percent of the actual value thereof; except that, for the
32 property tax ~~year~~ YEARS commencing on January 1, 2023, AND JANUARY
33 1, 2024, the valuation for assessment of this property is temporarily
34 reduced to:

35 (I) For all of the property listed by the assessor under any
36 improved commercial subclass codes, twenty-seven and nine-tenths
37 percent of an amount equal to the actual value; ~~minus the lesser of thirty~~
38 ~~thousand dollars or the amount that reduces the valuation for assessment~~
39 ~~to one thousand dollars;~~ and

40 (10.2) (b) During ~~the two years of~~ each reassessment cycle, in
41 preparation for implementation in the succeeding reassessment cycle, the
42 respective assessors shall conduct revaluations of all taxable real property
43 utilizing the level of value for the period which will be used to determine

1 actual value in such succeeding reassessment cycle and the manuals and
2 associated data published for the period which will be used to determine
3 actual value in such succeeding reassessment cycle.

4 (12)(d) THE REASSESSMENT CYCLE COMMENCING ON JANUARY 1,
5 2021, CONSISTS OF FOUR FULL CALENDAR YEARS. AT THE BEGINNING OF
6 THE REASSESSMENT CYCLE COMMENCING ON JANUARY 1, 2025, THE LEVEL
7 OF VALUE TO BE USED DURING THE REASSESSMENT CYCLE IN THE
8 DETERMINATION OF ACTUAL VALUE OF REAL PROPERTY IN ANY COUNTY OF
9 THE STATE, AS REFLECTED IN THE ABSTRACT OF ASSESSMENT FOR EACH
10 YEAR IN THE REASSESSMENT CYCLE, ADVANCES BY FOUR YEARS OVER
11 WHAT WAS USED IN THE PREVIOUS REASSESSMENT CYCLE.

12 **SECTION 3.** In Colorado Revised Statutes, 39-1-104.2, **amend**
13 (3)(q) as follows:

14 **39-1-104.2. Adjustment of residential rate - legislative**
15 **declaration - definitions.** (3) (q) The ratio of valuation for assessment
16 for multi-family residential real property is 7.15 percent of actual value
17 for property tax years commencing on or after January 1, 2019; except
18 that:

19 (I) For the property tax ~~years~~ YEAR commencing on January 1,
20 2022, ~~and January 1, 2024~~, the ratio of valuation for assessment for
21 multi-family residential real property is temporarily reduced to 6.8
22 percent of actual value;

23 (II) For the property tax ~~year~~ YEARS commencing on January 1,
24 2023, AND JANUARY 1, 2024, the ratio of valuation for assessment for
25 multi-family residential real property is temporarily reduced to 6.765
26 percent of actual value.

27 **SECTION 4.** In Colorado Revised Statutes, 39-1-104.3, **amend**
28 (2) as follows:

29 **39-1-104.3. Partial real property tax reductions - residential**
30 **property - definitions - repeal.** (2) For the property tax year
31 commencing on January 1, 2023, the valuation for assessment for
32 residential real property is six and seven hundred sixty-five thousandths
33 percent, as set forth in section 39-1-104.2 (3)(q)(II) and (3)(r)(II), of the
34 amount equal to the actual value, determined pursuant to section
35 39-1-103. ~~minus the lesser of fifteen thousand dollars or the amount that~~
36 ~~reduces the valuation for assessment to one thousand dollars.~~

37 **SECTION 5.** In Colorado Revised Statutes, 39-5-121, **amend**
38 (1.2) as follows:

39 **39-5-121. Notice of valuation - legislative declaration -**
40 **definition - repeal.** (1.2) A notice of valuation included with the tax bill
41 shall fulfill the requirements of subsection (1) of this section. The general
42 assembly hereby finds and declares that the notice procedure set forth in
43 this subsection (1.2) facilitates the efficient and economic operation of

1 local governments, consistent with the expressed purpose of section 20
2 of article X of the state constitution to reasonably restrain most the
3 growth of government, and still fulfills the purposes of section 20 (8)(c)
4 of said article X in ~~the~~ AN intervening year of each reassessment cycle
5 when there is no change in value for the property in such year.

6 **SECTION 6. Safety clause.** The general assembly hereby finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, or safety."

9 Page 1 of the bill, line 101, strike "TAXES, AND, IN CONNECTION" and
10 substitute "TAXES."

11 Page 1 of the bill, strike lines 102 through 113.

12 Page 2 of the bill, strike lines 101 through 104."."

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