


Property Taxes and Gallagher Amendment




Property Taxes in Colorado

Actual Values \times Assessment Rate = Assessed Values



7.96% Residential*
29% Nonresidential



Assessed Values \times Local Mill Levy = Taxes Owed

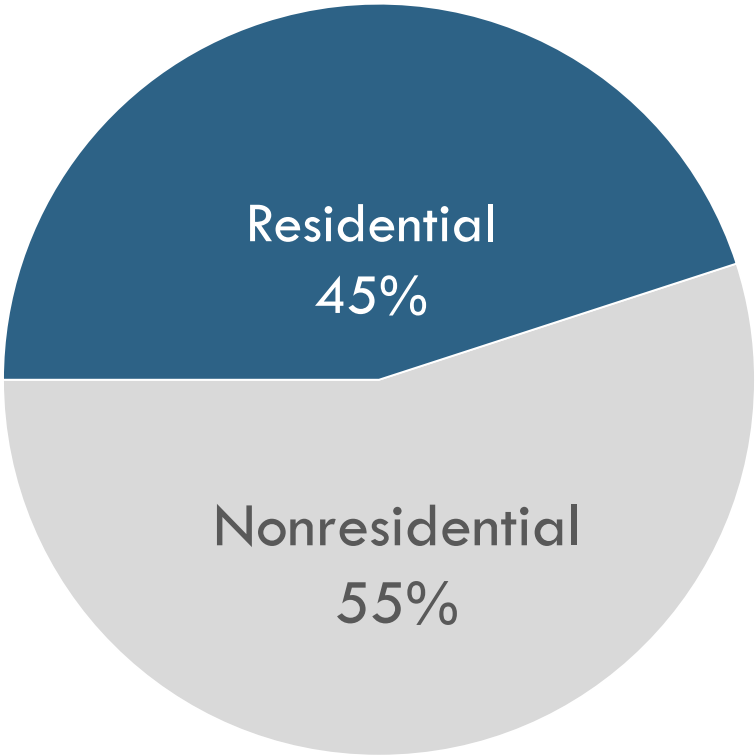


*2016 Residential Assessment Rate

Gallagher Amendment Target Share

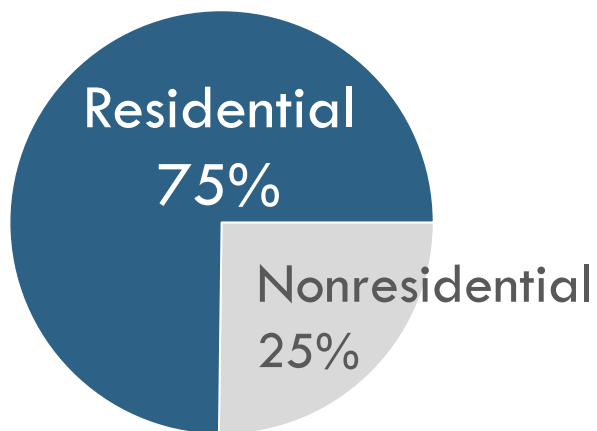


Existing Homes
+
New Construction

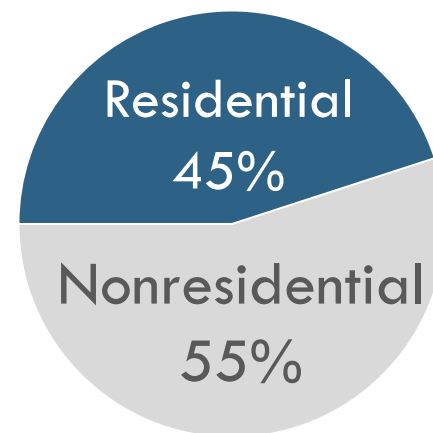


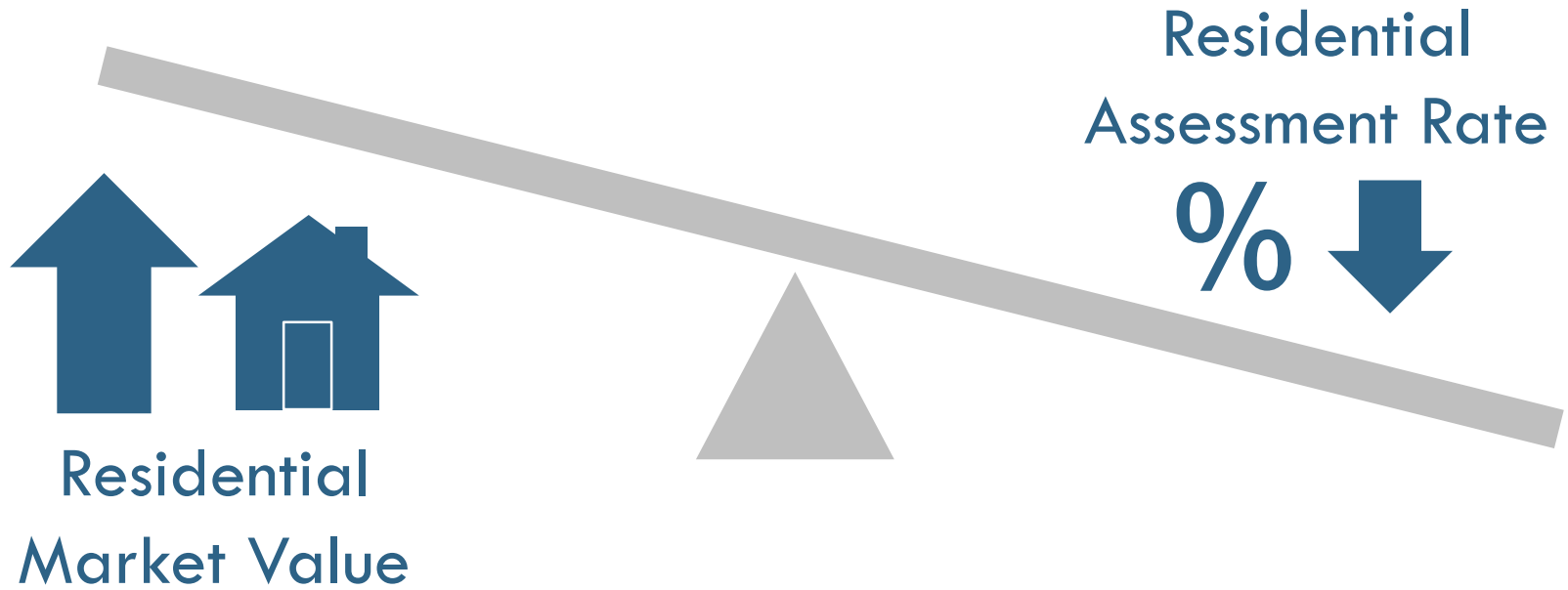
Existing Nonresidential
Property
+
New Construction
+
Productivity Changes

Market Value



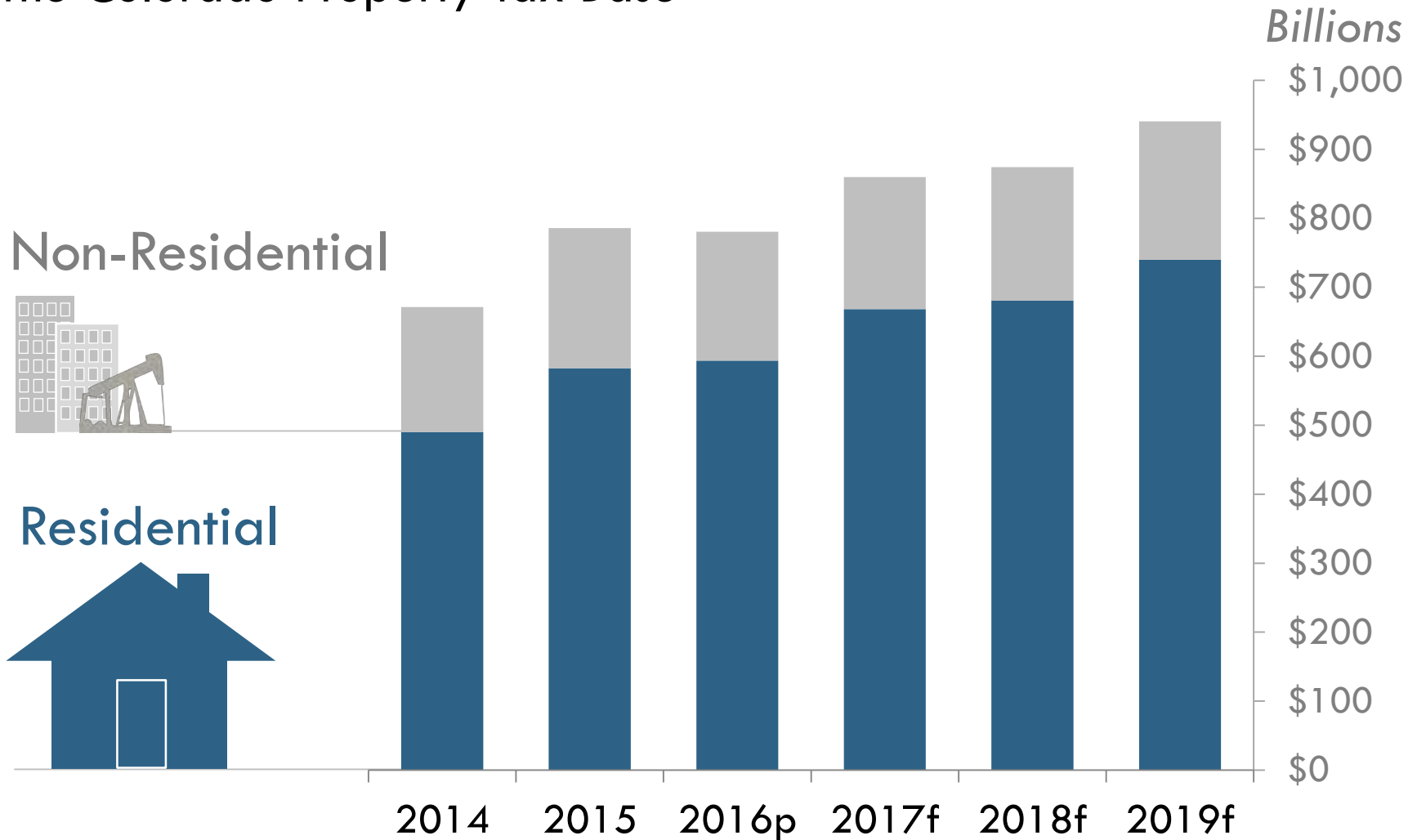
Target Share





Actual (Market) Values

The Colorado Property Tax Base

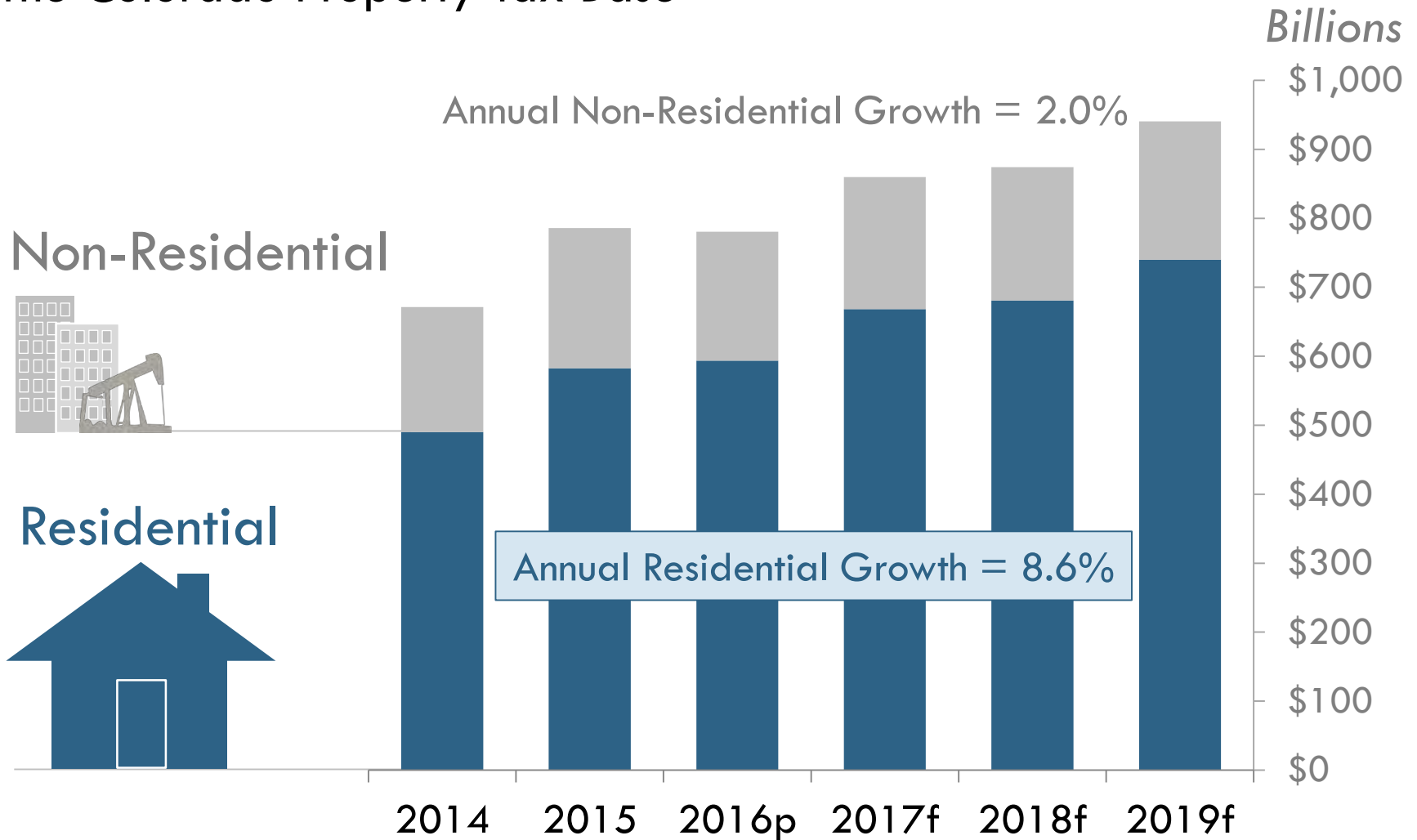


Source: Division of Property Taxation and Legislative Council Staff forecast.

*Calculated as assessed values divided by an assumed 29 percent assessment rate.

Actual (Market) Values

The Colorado Property Tax Base

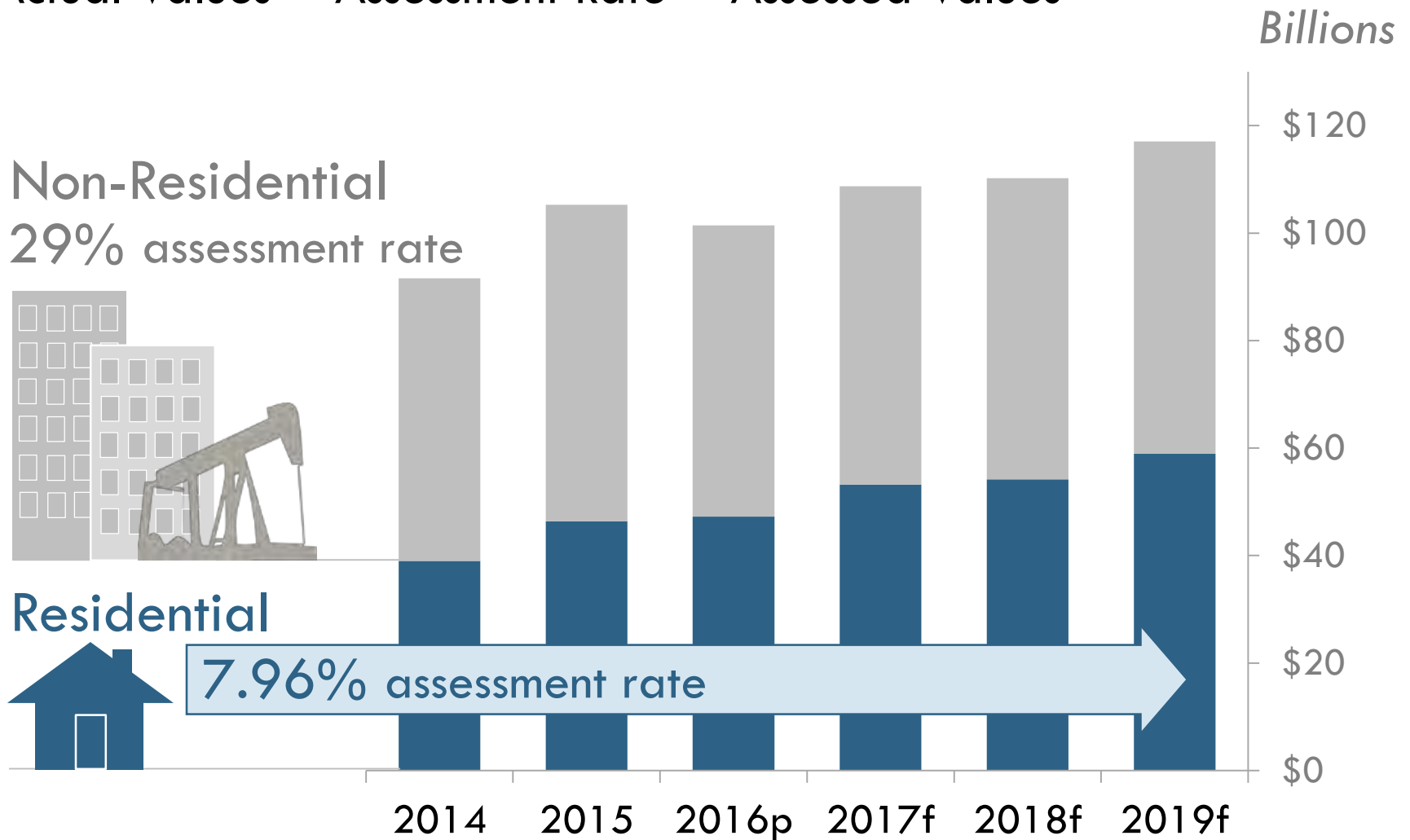


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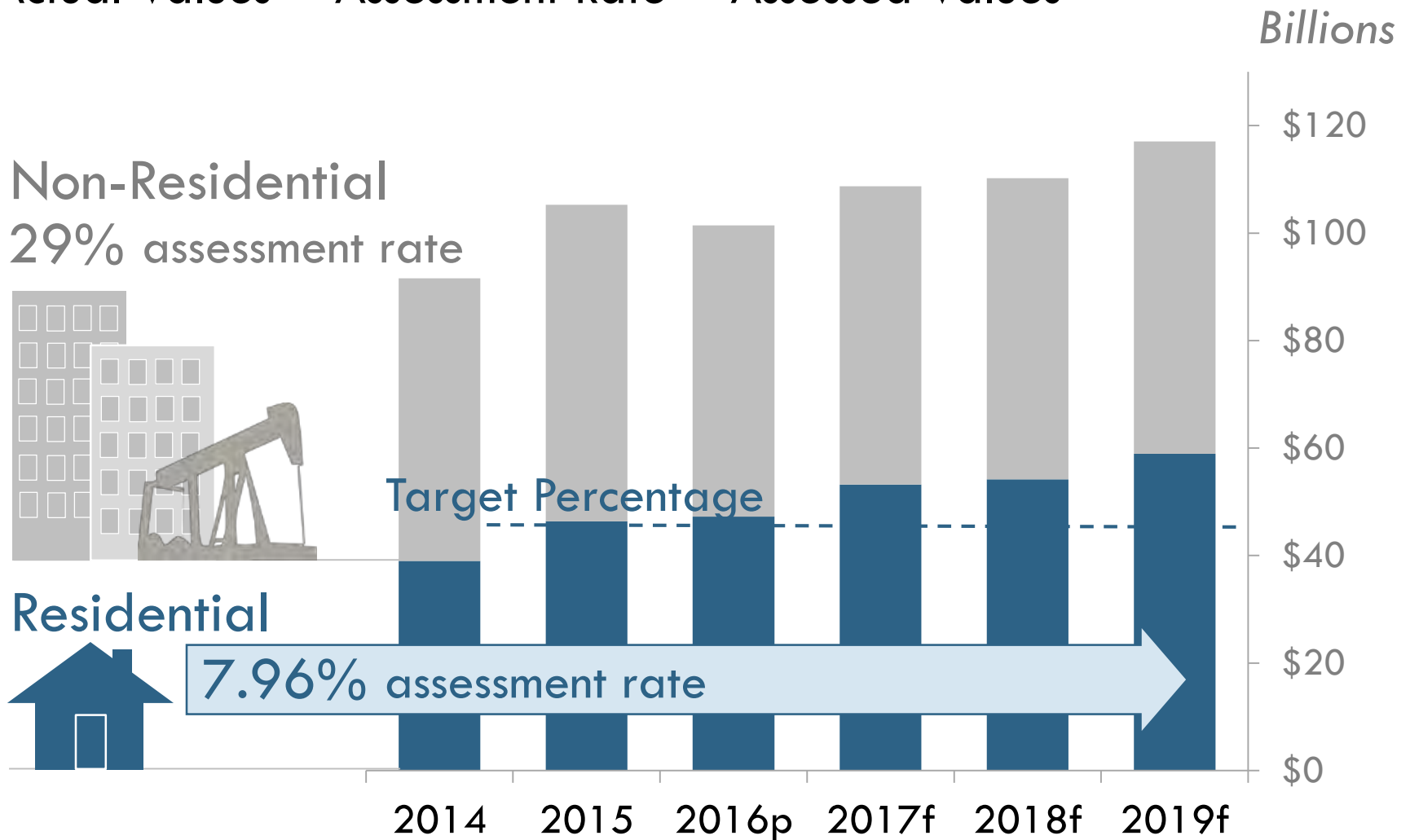
Assessed Values

$$\text{Actual Values} \times \text{Assessment Rate} = \text{Assessed Values}$$



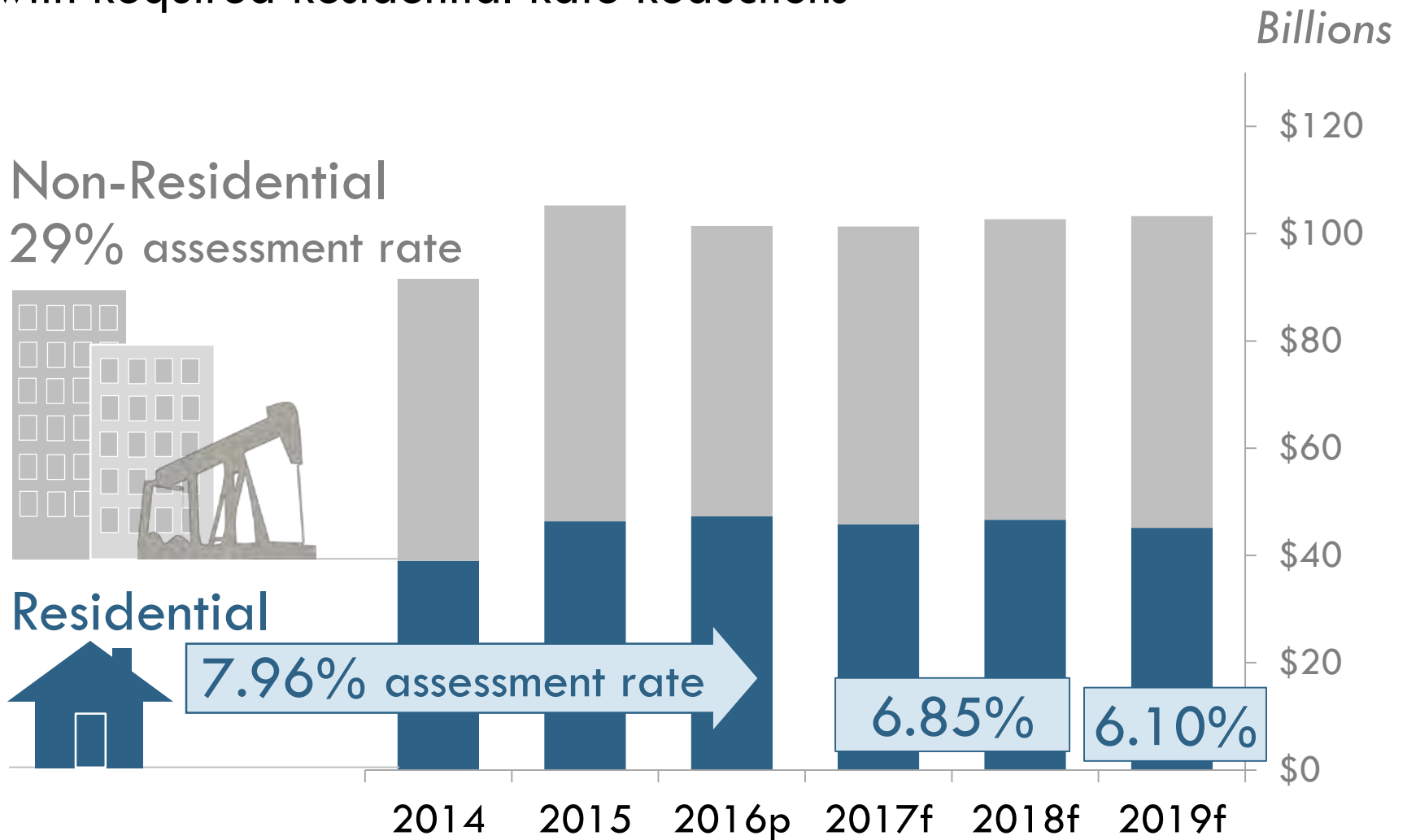
Assessed Values

$$\text{Actual Values} \times \text{Assessment Rate} = \text{Assessed Values}$$

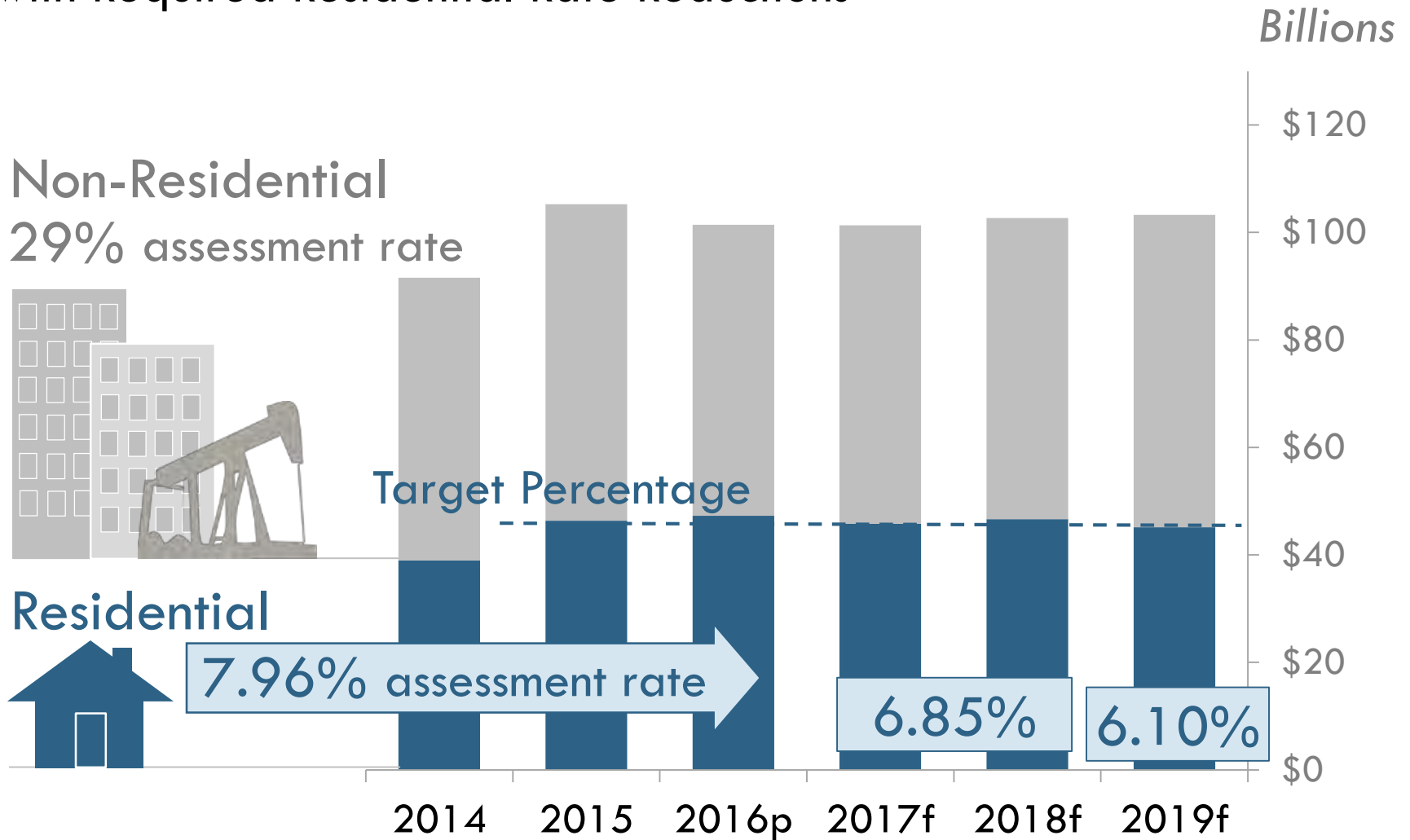


Assessed Values

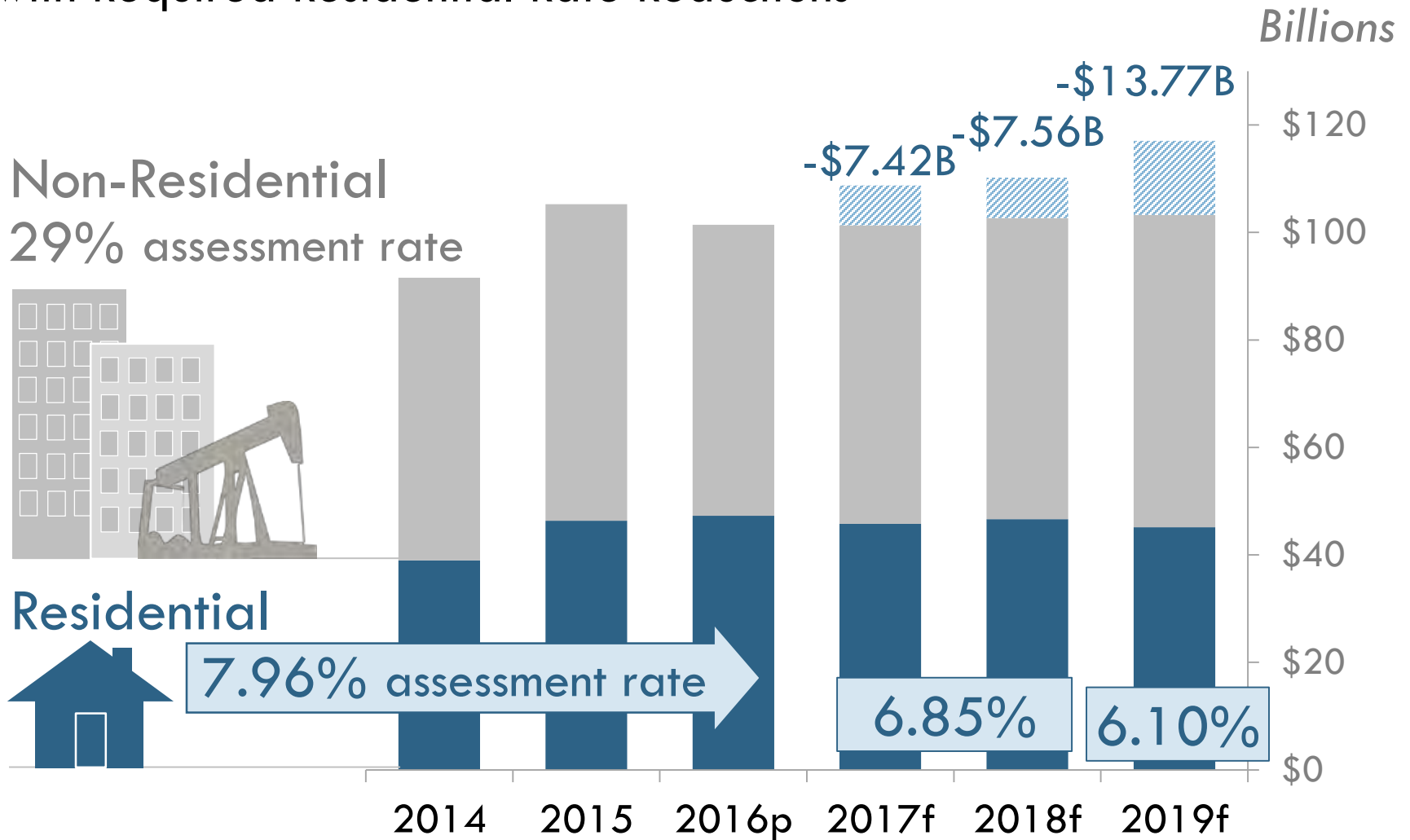
with Required Residential Rate Reductions



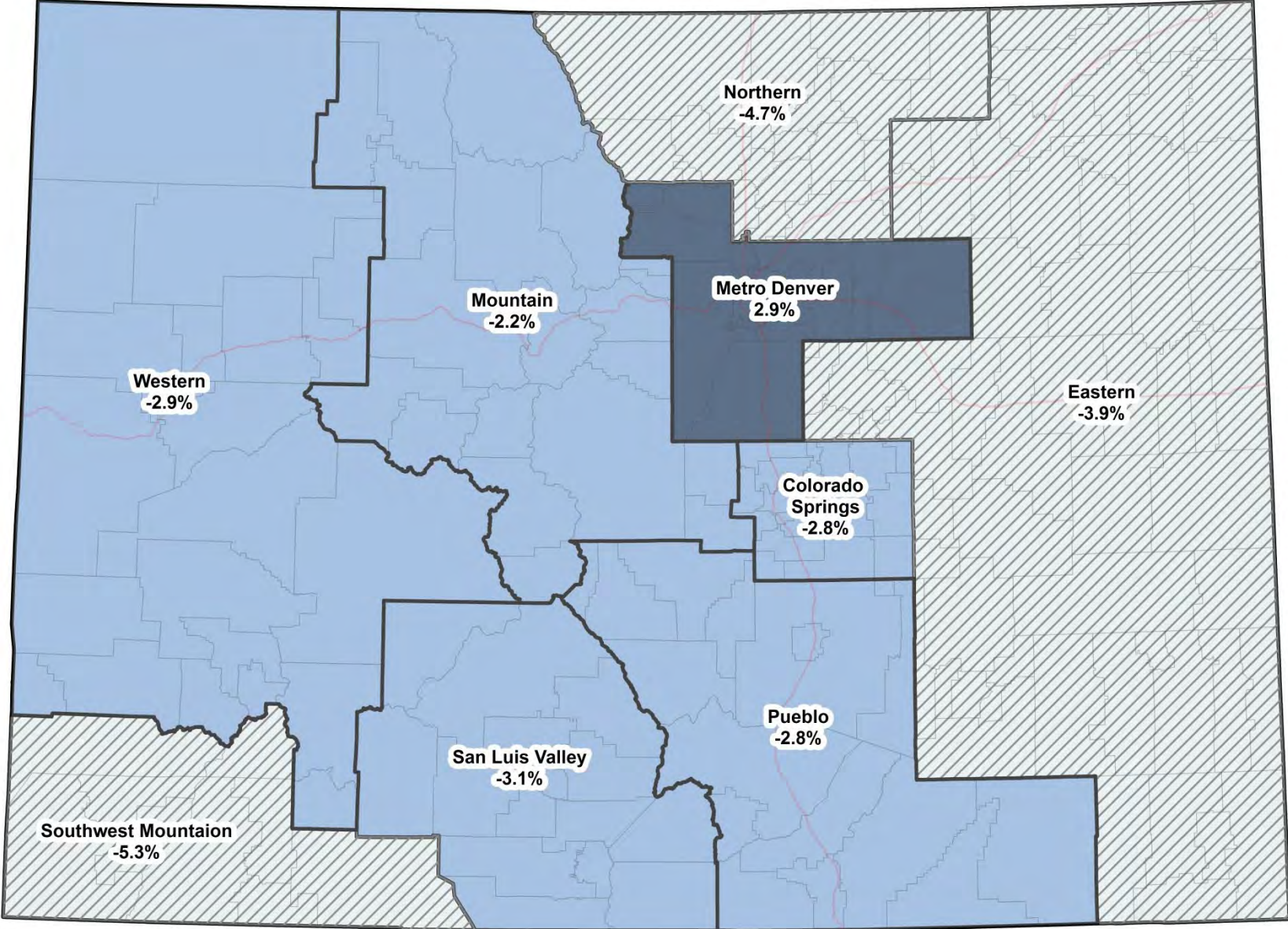
Assessed Values with Required Residential Rate Reductions



Assessed Values with Required Residential Rate Reductions



Change in Assessed Values by Region



Colorado
-0.1%

Source: Legislative Council Staff forecast.

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Residential Assessment Rates

Statutory vs. Calculated

| Years | Rate in Law | Calculated Rate |
|----------------|--------------------|------------------------|
| 1983-86 | 21.00% | |
| 1987 | 18.00% | |
| 1988 | 16.00% | |
| 1989-90 | 15.00% | |
| 1991-92 | 14.34% | |
| 1993-94 | 12.86% | |
| 1995-96 | 10.36% | |
| 1997-98 | 9.74% | |
| 1999-00 | 9.74% | 9.83% |
| 2001-02 | 9.15% | |
| 2003-04 | 7.96% | |
| 2005-06 | 7.96% | 8.71% |
| 2007-08 | 7.96% | 8.19% |
| 2009-10 | 7.96% | 8.85% |
| 2011-12 | 7.96% | 8.77% |
| 2013-14 | 7.96% | 9.13% |
| 2015-16 | 7.96% | 8.24% |