



TAXATION and FINANCE

Thursday February 16, 2017

CCI Office

12:30 p.m.

(This meeting is recorded)

Teleconference: 1.857.216.6700 Passcode: 171009

AGENDA

WELCOME

Commissioner, Steve Johnson, Chair
 Commissioner Casey Tighe, Vice Chair
 Gini Pingnot, CCI

INTRODUCTIONS

LEGISLATION

BPP	
Bill #	HB17-1063
Title	Reduce Business Personal Property Taxes
H-Spon	T. Leonard
S-Spon	L. Crowder, T. Neville
Summary	<p>Under current law, if a business has less than \$7,300 of personal property that would be listed on a single personal property schedule, then the personal property is exempt from the property tax and the business is not required to submit a schedule to the county assessor. With respect to this exemption, the bill reduces the amount of personal property tax that businesses pay by:</p> <ul style="list-style-type: none"> • Increasing the exemption that applies per schedule from \$7,300 to \$50,000, adjusted for inflation in the future; and • Allowing businesses whose personal property value exceeds the total exemption amount to claim the exemption. For public utilities that are assessed statewide, the property tax administrator currently considers all of a public utility's tangible property within the state as a factor in determining the value of the public utility as a unit. The bill modifies the valuation process by: <ul style="list-style-type: none"> • Exempting the first \$50,000 or an inflation-adjusted amount of personal property from the property tax and excluding it from the administrator's consideration for valuation purposes;
Position	Oppose PP'd
Bill #	SB17-009

Title	Business Personal Property Exemption
H-Spon	
S-Spon	L. Crowder
Summary	There is an exemption from property tax for business personal property that would otherwise be listed on a single personal property schedule that is equal to \$7,300 for the current property tax year cycle. As amended, this bill increases the exemption to \$10,000 for the next 2 property tax years and adjusts it for inflation for subsequent property tax cycles.
Position	Oppose
PROPERTY TAX and ASSESSMENT	
Bill #	HB17-1049
Title	Eliminate Property Tax Abatement Refund Interest
H-Spon	D. Thurlow
S-Spon	
Summary	Under current law, if property taxes are levied erroneously or illegally and a taxpayer has not protested the valuation within the time permitted by law, then the taxpayer has 2 years from the start of the property tax year to file a petition for abatement or refund. The board of county commissioners is required to abate the taxes, and the taxpayer is entitled to a refund for the incorrect amount and, in some circumstances, refund interest equal to 1% per month. <u>As amended in committee, HB 1049 states that the refund interest accrues beginning when an abatement petition is filed and NOT when the taxes are paid.</u>
Position	Support
Bill #	SB17-078
Title	Residential Storage Condo Unit Property Taxation
H-Spon	J. Melton, K. Van Winkle
S-Spon	R. Gardner
Summary	<p>The bill establishes that a residential storage condominium unit is a residential improvement. This allows the unit to be assessed as residential real property, which currently has an assessment ratio of 7.96%, instead of as nonresidential property, which has an assessment ratio of 29%. A residential storage condominium unit is defined to mean a building that is:</p> <ul style="list-style-type: none"> • A unit under the Colorado Common Interest Ownership Act; • Used by its owner to store items from or related to the owner's Colorado residence; and • Not used for storage related to a business. <p>For a property to qualify as a residential storage condominium unit, the owner of the building unit must submit an affidavit of intended use. The property tax administrator is required to establish the form of the affidavit and to prepare and publish standards for assessors to determine whether a property qualifies as a residential storage condominium unit. The bill establishes penalties for a person that knowingly provides false information on the affidavit.</p>
Position	Oppose

TIF	
Bill #	HB17-1016
Title	Exclude Value Mineral Resource Tax Increment Financing (TIF) Division
H-Spon	M. Gray, L. Saine
S-Spon	
Summary	The bill permits the governing body of a municipality, as applicable, to provide in an urban renewal plan that the valuation attributable to the extraction of mineral resources located within the urban renewal area is not subject to the division of taxes between base and incremental revenues that accompanies the tax increment financing of urban renewal projects. In such circumstances, the taxes levied on the valuation will be distributed to the public bodies as if the urban renewal plan was not in effect.
Position	Support
Bill #	HB17-1161
Title	TIF Tax Increment Financing Transparency
H-Spon	S. Beckman
S-Spon	
Summary	Not later than 90 days after the end of the first fiscal year of an urban renewal authority (authority) after the governing body of a municipality has approved an urban renewal plan (plan) that allocates any incremental property or sales tax revenues of any taxing entity other than the municipality, and on the same day each year thereafter, the bill requires the authority to prepare a report for public distribution. The authority is required to send a copy of the report by first class mail and by e-mail to each taxing entity other than the municipality whose incremental property or sales tax revenues will be allocated under the plan. The bill specifies items the report is to address. With the annual report, the bill also requires an authority to submit an independent audit of its financial status that is prepared by a certified public accountant attesting to the accuracy of the annual report. As part of the audit, the certified public accountant is also required to report whether the authority has used any incremental property or sales tax revenues for any unauthorized purposes other than for eligible costs. In connection with the preparation of the report, the authority must also provide any other financial information that is reasonably required by the governing body of the municipality. If the audit finds that any incremental property or sales tax revenues have been used for any unauthorized purposes, the authority is liable for the repayment of such incremental tax revenues to the taxing entities whose incremental property or sales tax revenues were allocated under the plan.
Position	
MISC	
Bill #	SB17-034
Title	Disaster emergency Transfers from County General Funds
H-Spon	M. Foote, H. McKean
S-Spon	M. Jones, K. Lundberg

Summary	The bill extends from 4 years to 8 years the period following the declaration by the governor of a disaster emergency in a county within which the board of county commissioners of the county may transfer county general fund money to the county road and bridge fund for the purposes of disaster response and recovery.
Position	Support

OTHER BUSINESS

JoAnn Groff, Property Tax Administrator, State of Colorado

ADJOURN

In Case You Missed It – News Items from Previous ecountyline publications

June 21-23: Colorado Capital Conference in Washington, DC



The Colorado Capital Conference, sponsored by Colorado U.S. Senator Cory Gardner, is set for **June 21-23** in Washington, DC. The event is a unique opportunity for 100 Colorado residents to interact with the nation's leaders and provides key insights into how our government works while giving participants an enhanced understanding of the federal legislative process. Applications to attend must be submitted by **March 27, 2017**. To apply, click [here](#). Questions, call Linde Marshall, event coordinator, at [970.623.9388](tel:970.623.9388).