COLORADO COUNTIES, INC.
Educate · Advocate · Empower

TAXATION and FINANCE
Thursday March 16, 2017
CCI Office
1:00 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 Pingenot, CCI

INTRODUCTIONS

HB17-1187 Change Excess State Revenue Cap Growth Factor
Representative Dan Thurlow

LEGISLATION

BPP	
Bill #	[HB17-1063]
Title	**Reduce Business Personal Property Taxes**
H-Spon	T. Leonard
S-Spon	L. Crowder, T. Neville
Summary	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: • 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: • 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 PI'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
SALES TAX & USE TAX	
Bill #	HB17-1216
Title	**Sales And Use Tax Simplification Task Force**
H-Spon	T. Kraft-Tharp, L. Sias
S-Spon	C. Jahn, T. Neville
Summary	The bill creates the sales and use tax simplification task force (task force) made up of legislative members and state and local sales and use tax experts. The bill requires the task force to study sales and use tax simplification between the state and local governments, and in particular between the state and home rule jurisdictions. The task force is: • Authorized to seek, accept, and expend gifts, grants, or donations from private or public sources in order to meet its goals; • Subject to sunset review in 3 years; and • Required to make an annual report to the legislative council that may or may not include recommendations for legislation.
Position	
PROPERTY TAX and ASSESSMENT	
Bill #	HB17-1049
Title	**Eliminate Property Tax Abatement Refund Interest**
H-Spon	D. Thurlow
S-Spon	D. Coram
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. 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.
Position	Support
Bill #	[SB17-078]
Title	**Residential Storage Condo Unit Property Taxation**
H-Spon	J. Melton, K. Van Winkle
S-Spon	R. Gardner
Summary	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: • 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. 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.
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 - Governor Signed
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	Support / Amends PI'd
	MISC
Bill #	HB17-1187
Title	**Change Excess State Revenues Cap Growth Factor**
H-Spon	D. Thurlow
S-Spon	L. Crowder
Summary	In 2005, voters approved Referendum C, which is a voter-approved revenue change to the TABOR fiscal year spending limit. Under the referendum, the state is permitted to retain and spend all state revenues up to the excess state revenues cap. The excess state revenues cap is adjusted annually for inflation and population changes, among other things. The bill modifies the excess state revenues cap by allowing an annual adjustment for an increase based on the average annual change of Colorado personal income over the last 5 years, rather than adjusting for inflation and population. Colorado personal income is the total personal income for Colorado as reported by a federal agency. As the modification may increase the amount that the state retains and spends in a given fiscal year, the bill seeks voter approval for the change, as required by TABOR.
Position	
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

NACO/FEDERAL UPDATE

ADJOURN

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

May 2-5: Downtown Colorado, Inc. Annual Conference

Downtown Colorado, Inc. (DCI) will hold its 35th annual Vibrant Downtown Conference on **May 2-5, 2017** in Breckenridge. This multi-day event, themed "In the Game," features smart people, pioneering research, powerful ideas and proven strategies designed to make our Colorado neighborhoods better. Highlight speakers include Elizabeth Garner, Colorado State Demographer; Charlie Miller, Denver Center for the Performing Arts; and land use/public policy attorney Carolynne White of Brownstein Hyatt Farber Schreck. For more information or to register, click **here**. For hotel accommodations, call **888.525.1787** and use group code BC0DC7.