

**Property Tax Assessment Rate Changes pursuant to SB23-303**  
*(Contingent on the passage of Prop HH on November 7, 2023)*

May 29, 2023

[illegible]

**Backfill for Property Tax Years 2024 – 2032:**

- No backfill for local government’s whose ‘real property’ assessed value has increased by more than 20% from 2022 assessed valuation numbers (referred to as ‘20% trigger’).
- The total amount available for backfill for non-school local governments is equal to 20% of the available dollars in the HH fund.
- Fire, EMS and Health Districts are first in line for backfill. Assuming there is sufficient funding, these entities will be made whole first and all other local governments will receive a portion of whatever remains. Fire, EMS and Health Districts who exceed the 20% trigger will receive 50% of their lost revenue.
- Only local governments in counties with less than 300,000 in population can become re-eligible for backfill in future years after hitting the 20% trigger.

**Backfill for Property Tax Year 2023 - 2032 (3 tiers – initially established in SB22-238).**

1.) Local governments in counties with over 300,000 people will be made whole for 65% of their lost revenue.

9 counties: Adams, Arapahoe, Boulder, Denver, Douglas, El Paso, Jefferson, Larimer and Weld

\*Fire, library, sanitation & water districts, health service districts & municipalities within these counties will receive a higher percentage backfill. Those with an assessed valuation of more than 10% will be made whole for 90% of their lost revenue. Those with an assessed valuation of less than 10% will be made whole for 100% of their lost revenue.

2.) Local governments in counties with a.) under 300,000 people and b.) an assessed valuation growth of over 10% will be made whole for 90% of their lost revenue.

3.) Local governments in counties with a.) under 300,000 and b.) an assessed valuation growth of under 10% will be made whole for 100% of their lost revenue.

**Senior Homestead Exemption:**

- \$140,000 (rather than \$100,000) in actual value reduction for those qualifying for the senior homestead exemption. (This amount includes the \$40k listed above.)
- Allow exemption to be portable
- Both of the above provisions take effect beginning January 1, 2025

**Participatory Taxation:**

- Revenue growth tagged to inflation UNLESS governing body votes to override the cap.
- Does not apply to schools and other voter-approved mill levies.

**State Revenue Debrucing Provision:**

- Seek voter approval in 2023 to allow state revenues to grow by inflation + population + 1% for 10 years.
- 80% of revenue will be used to backfill schools. The remaining 20% will be used to partially backfill local governments.
- Partial debrucing may continue beyond 10 years if legislature maintains or lowers assessment rates further.

