

County Tax Entity Code

# CERTIFICATION OF VALUATION BY COUNTY ASSESSOR

DOLA LGID/SID

New Tax Entity? ☐ YES ☐ NO

Date

NAME OF TAX ENTITY:

## USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 202X:

- |   |        |   |
|---|--------|---|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:  | 1. \$  | A |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡   | 2. \$  | B |
| 3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:  | 3. \$  | C |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:   | 4. \$  | D |
| 5. NEW CONSTRUCTION: *  | 5. \$  | E |
| 6. INCREASED PRODUCTION OF PRODUCING MINE: ≈  | 6. \$  | F |
| 7. ANNEXATIONS/INCLUSIONS:  | 7. \$  | G |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ☉  | 8. \$  | H |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): ☐   | 9. \$  | I |
| 10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified: | 10. \$ | J |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):  | 11. \$ | K |

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution

\* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

☐ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

## USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 202X:

- |  |       |   |
|--|-------|---|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶ | 1. \$ | L |
|--|-------|---|

### ADDITIONS TO TAXABLE REAL PROPERTY

- |  |       |   |
|--|-------|---|
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *   | 2. \$ | M |
| 3. ANNEXATIONS/INCLUSIONS:   | 3. \$ | N |
| 4. INCREASED MINING PRODUCTION: §  | 4. \$ | O |
| 5. PREVIOUSLY EXEMPT PROPERTY:   | 5. \$ | P |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL:  | 6. \$ | Q |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.): | 7. \$ | R |

### DELETIONS FROM TAXABLE REAL PROPERTY

- |   |        |   |
|---|--------|---|
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | 8. \$  | S |
| 9. DISCONNECTIONS/EXCLUSIONS:                         | 9. \$  | T |
| 10. PREVIOUSLY TAXABLE PROPERTY:                      | 10. \$ | U |

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

\* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:  
TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$ V

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): \*\* \$ W  
\*\*\* The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION ("5.25%" LIMIT) 29-1-1703, C.R.S.

IN ACCORDANCE WITH §§ 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR \_\_\_\_\_:

1. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	1. \$ _____	AA
2. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	2. \$ _____	AB
3. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	3. \$ _____	AC
4. NEW CONSTRUCTION:	4. \$ _____	AD
5. ANNEXATIONS/INCLUSIONS:	5. \$ _____	AE
6. PREVIOUSLY EXEMPT PROPERTY:	6. \$ _____	AF
7. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified:	7. \$ _____	AG
8. INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION:	8. \$ _____	AH
9. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	9. \$ _____	AI
10. TOTAL PRODUCING MINES, OR PRIMARY OIL OR GAS PRODUCTION:	10. \$ _____	AJ
11. REVENUE INCREASE FROM EXPIRED TIF:	11. \$ _____	AK

**Notes:**

The property tax limit will apply to all property taxing entities with the exception of school districts, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

The Division of Local Government ("the Division") has developed technical assistance resources to assist taxing entities with the calculation of the property tax limit available online [here \(https://dlg.colorado.gov/budget-information-and-resources\)](https://dlg.colorado.gov/budget-information-and-resources). Please understand that the Division has no statutory or administrative role in calculating or enforcing the property tax limit, and each taxing entity's revenue limits and voter approval history may be unique. The technical assistance resources provided by the Division with regard to the property tax limit are not definitive and not legal advice. Taxing entities may choose to calculate the property tax limit with a methodology that is different from the methodology presented in the Division's technical assistance resources. The Division always recommends that taxing entities consult with an attorney in order to understand and apply the various statutory and constitutional revenue limits that may apply to that taxing entity.

**NOTE:** ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

## **5.5% STATUTORY PROPERTY TAX REVENUE LIMITATION (29-1-301, C.R.S.)**

### **Line A - Previous Year's Net Total Taxable Assessed Valuation**

Certify the prior year's net total assessed value of taxable real and personal property within each taxing entity's boundaries. Generally, this value is taken from the prior year's final certification of values.

### **Line B - Current Year's Gross Total Taxable Assessed Valuation**

Certify the current year's gross assessed value of the taxable real and personal property, including taxable real and personal property possessory interests, within each taxing entity's boundaries.

- When a non-school taxing entity gives a personal property exemption as allowed under the Colorado Constitution, the assessed value must reflect that action.
- If a school district gives a personal property exemption as allowed under the Colorado Constitution, the assessed value must reflect that action, but the reduction must also be itemized on the certification. Section 22-54-106(9), C.R.S., provides that any such exemption granted by a school district will not result in an increase to the state's share of the total program.
- The assessed value for state assessed property is shown in the column titled "\$ Assessed" on the Notice of Valuation. This amount reflects the taxable value of both real and personal property. The assessor must split each company's value between real and personal according to the company's distribution letter or according to Division recommendations.

### **Line C - TIF Area Increments**

Certify the sum of the increment values of any tax increment finance areas that lie within the boundaries of the taxing entity.

### **Line D - Current Year's Net Total Taxable Assessed Valuation**

Certify the current year's net total assessed value. The value is the difference between the current year's gross total assessed value and the increment value. If there is no tax increment financing area or no increment value, the "Current Year's Net Total Assessed Value" is the same as the "Current Year's Gross Total Assessed Value."

The mill levy is calculated using the current year's net assessed value, but it is levied against the current year's gross assessed value. The tax revenue produced by the increment valuation is paid into the funds of the tax increment financing authority, §§ 39-5-128(3), 31-25-107(9)(a), and 31-25-807(3)(a), C.R.S. Please refer to the discussion of Tax Increment Financing found in Chapter 12, Special Topics.

### **Line E - New Construction**

Certify the assessed value of taxable real property improvements newly constructed in the previous year and new personal property connected with the new construction. Also certify the current year assessed value of taxable real property that was constructed during a recent prior year, and associated personal property, if the value of the property had never been reported as new construction because it was omitted from the assessment roll. Do not report more than one year's worth of value, even if the new construction was omitted for more than one year. New construction includes remodels and additions. A manufactured home may be considered as new construction if it is new to the county and is not replacing a manufactured home that previously existed at the same location. For state assessed properties, use the new construction amount listed in the "5.5% Limit" column on the Notice of Valuation.

- The value assigned to new construction must reflect the new improvement contribution to the total value of the improvement, at the current level of value. For intervening years, it is the difference between the assessor's new total improvement value and the old value of the partially completed structure. In years of reappraisal, new construction is the amount of value equal to the additional

percentage of completion of the improvement or the percentage of contribution of the improvement to the new total value.

- **Example:** If a structure increases from 80% complete to 100% complete, the new construction will reflect 20% of the total value of the improvement calculated at the new level of value. Similarly, if a remodel or addition contributes 20% of the value to the structure, then new construction would be reported at 20% of the new reappraised value. For residential properties, the value of the remodel or addition must be determined by the market approach to value. If the structure change results in added value to the improvement, it is reported as new construction.
- The new construction value reported on Line E is exactly the same as the total new construction shown in the new construction column on the New Construction page of the Abstract of Assessment.

For structures that take longer than one year to complete, two options exist for reporting the value of the new construction. Option one: report only that portion of the value of the structure completed each year as new construction. Any portion of the value of the structure that was reported as new construction the previous year is not reported again. Option two: report the full value of the new structure as new construction when the structure is 100 percent complete.

NOTE: New construction does not include the production-based value of a new well, and it does not include the personal property associated with a new well.

### **Line F - Increased Production of Producing Mine**

Certify the increased assessed valuation due to the increased volume of production of a producing mine. (abstract codes 6110, 6120, 6130, 6140, 6150). Do not certify the increased valuation of a natural resources property. For instructions on classification, refer to ***Producing Mines Property***, in **Chapter 6, Property Classification Guidelines and Assessment Percentages**.

There is **no assessment rate** applied to the land for producing mines. The actual and assessed values are the same figure, which is the greater of 25 percent of gross proceeds or 100 percent of net proceeds.

The assessor certifies this value automatically; however, before a taxing entity can exclude this from the limit, it must provide evidence showing that the increase causes an increase in the level of services provided by the taxing entity. The impact certification document is obtained from the Division of Local Government. The Division of Local Government recommends that each affected entity file the impact certification document no later than ten days after the certification of values is received.

### **Line G – Annexations/Inclusions**

Certify the assessed value of taxable real and personal property annexed into the boundary of a municipality, and the assessed value of taxable real and personal property included within the boundary of a special district. The amount is certified **ONLY** to the entity that is affected.

- If new construction exists within an annexed or included area, the value of the new construction is certified as either new construction **OR** as an annexation for that taxing entity, **NOT BOTH**.
- The assessed value of the taxable real and personal property within the annexed or included area is reflected in the “Current Year’s Gross Assessed Value” for the taxing entity that included the property in its boundaries.

### **Line H - Previously Exempt Federal Property**

Certify the increased assessed valuation due to previously exempt real and personal federal property that became taxable. The assessed value of real and personal property possessory interests is included in this figure the first year the interest is valued. The assessor certifies this value automatically; however, the affected taxing entity must file an impact certification document with the Division of Local Government. The impact certification document is obtained from the Division of Local Government. The Division of

Local Government recommends that each affected entity file the impact certification document no later than ten days after the certification of values is received.

### **Line I - New Primary Oil or Gas Production**

Certify the assessed valuation due to **new** oil and gas production. The assessment rates for oil and gas leaseholds and lands are 87.5 percent for primary production and 75 percent for secondary production.

In order for an entity to exclude this value from the limit, the Division of Local Government must grant the authority to do so, § 29-1-301(1)(b), C.R.S. The entity makes a request for exclusion by filing an impact certification document with the Division of Local Government. The Division of Local Government recommends that each affected entity file the impact certification document no later than ten days after the certification of values is received.

The definition for "new oil and gas primary production" is the primary production of oil and gas wells that reported production for the first time in the preceding year. It does not include:

1. Increased level of production from old wells
2. Renewed production from shut-in wells
3. Any valuation of equipment or fixtures
4. Any site improvements, buildings, or other structures

Because of the nature of coal bed methane gas wells, new primary production for this type of well will include increased levels of production for the wells until they have reached their maximum production.

*Example:*

<b>Year</b>	<b>Reported Production</b>	<b>Certified New Production</b>
2015	1,200 MCF	1,200 MCF
2016	151,200 MCF	150,000 MCF
2017	160,000 MCF	8,800 MCF
2018	142,000 MCF	0
2019	150,000 MCF	0

### **Line J - Omitted Taxes and Taxes Received Last Year on Omitted Property**

Certify the amount of revenue received by the taxing entity between August 1 of the preceding year and July 31 of the current year as taxes paid on taxable property that was previously omitted from the tax warrant. This includes omitted property revenue from taxable real and personal property possessory interests. It also includes revenue received in conjunction with oil and gas leaseholds and lands that had been omitted from the assessment roll. It **does not include** revenue received for a prior year from oil and gas leaseholds and lands due to underreporting of the selling price or quantity sold.

Based on the Supreme Court's decision in Aggers, Assessor, v. People Ex Rel. The Town of Montclair, 20 Colo. 348, 38 P. 386 (1894), the concept of omitted property has been expanded to include property for which the mill levies of one or more taxing entities were omitted from the property on the tax warrant. According to the Division of Local Government, revenue collected on this type of omitted property is included in the calculation of the 5.5 percent property tax limit. As such, it is certified as omitted property revenue for the 5.5 percent limit calculation. The Division's policy on this issue is discussed in **Chapter 3, Specific Assessment Procedures**, under "Omitted Revenue."

*Example:*

A residential improvement was assessed as omitted property for the prior year. The tax amount collected by the treasurer was \$569.84. The property is located in a tax area where the following taxing entities have the authority to levy. The mill levies for those entities are listed below. Calculate the amount that should be certified as omitted revenue to each entity.

Two mathematical approaches are:

$$\text{Tax} \div \text{Mill levy} = \text{Assessed value}$$

$$\text{Assessed value} \times \text{Individual mill levy} = \text{Tax}$$

OR

$$\text{Individual entity mill levy} \div \text{Total mill levy} = \text{Decimal relationship for that entity}$$

$$\text{Total tax amount} \times \text{Decimal for entity} = \text{Tax}$$

<u>Entity</u>	<u>Mill Levy</u>	<u>Tax Amount Certified to Entity</u>
County	26.779	\$224.25
School	32.608	273.06
Town	6.420	53.76
Recreation District	<u>2.241</u>	<u>18.77</u>
TOTAL LEVY	68.048	\$569.84

Manual calculation examples:

<u>Total Tax</u>		<u>Total Tax Rate</u>		<u>Assessed Value</u>
\$569.84	÷	.068048	=	\$8,374

<u>Assessed Value</u>		<u>Entity Tax Rate</u>		<u>Entity Tax Amount</u>
\$8,374	x	.026779=	\$224.247 (\$224.25)	
\$8,374	x	.032608=	\$273.059 (\$273.06)	
\$8,374	x	.006420=	\$53.761 (\$ 53.76)	
\$8,374	x	.002241 =	\$18.766 (\$ 18.77)	

OR

<u>Entity Tax Rate</u>		<u>Total Tax Rate</u>		<u>Entity Percentage</u>
.026779	÷	.068048	=	.393531 (39.3531%)
.032608	÷	.068048	=	.479191 (47.9191%)
.006420	÷	.068048	=	.094345 ( 9.4345%)
.002241	÷	.068048	=	.032933 ( 3.2933%)

  

<u>Total Tax</u>		<u>Entity Percentage</u>		<u>Entity Tax Amount</u>
\$569.84	x	.393531=	\$224.250 (\$224.25)	
\$569.84	x	.479191=	\$273.062 (\$273.06)	
\$569.84	x	.094345=	\$53.762 (\$ 53.76)	
\$569.84	x	.032933=	\$18.766 (\$ 18.77)	

The assessor obtains this information from the county treasurer. The amount is the total property tax revenue received by the taxing entity from August 1 of the previous year through July 31 of the current year from taxes paid on property that was previously omitted from the assessment roll of any year.

Omitted revenue for purposes of Certification of Values does not include typographical errors or otherwise erroneous levies applied for a specific taxing entity. Omitted revenue should only include revenue from property completely omitted from the tax roll or property omitted from a taxing district.

## **Line K - Abated and Refunded Revenue**

Certify the amount of revenue abated or refunded by the taxing entity. The assessor obtains this information from the county treasurer. The amount reported is the total property tax revenue for any year that was abated or refunded by the taxing entity from August 1 of the previous year through July 31 of the current year. The figure includes revenue lost as a result of BAA and court decisions on appeals of value. The amount reported includes abatements for real and personal property possessory interests.

## **TABOR LOCAL GROWTH DATA**

No later than August 25, the assessor notifies non-school taxing entities of the total actual value of all real property within the taxing entity; the actual value of newly constructed taxable real property improvements; the actual value of destroyed taxable real property improvements; and additions to, minus deletions from, taxable real property, in accordance with the manner prescribed by the Administrator, § 39-5-121(2)(b), C.R.S. The local growth data is located in the lower half of the certification form (DLG 57).

The following information must be certified:

## **Line L - Current Year's Total Actual Value of All Real Property**

Certify the actual value of the real property, including taxable real property possessory interests, located within each non-school taxing entity's boundaries. This figure includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property,

§§ 39-1-102(14) and 39-3-128, C.R.S.

- The actual value for state assessed property is shown in the column titled "\$ Actual" on the Notice of Valuation. This amount reflects the value of both real and personal property. The assessor must split each company's value between real and personal, according to the company's distribution letter or according to Division recommendations.
- For producing mines land (abstract codes 6110, 6120, 6130, 6140, 6150), the actual and assessed values are the same figure, which is the greater of 25 percent of gross proceeds or 100 percent of net proceeds.

## **Line M - Construction of Taxable Real Property Improvements**

Certify the actual value of taxable real property improvements newly constructed in the previous year (assessed as of January 1 of the current year). Also certify the current year actual value of taxable real property that was constructed during a recent prior year if the value of the property had never been reported as new construction because the property was omitted from the assessment roll. For state assessed properties, use the new construction amount listed in the "Tabor Actual" column on the notice of valuation. Manufactured homes new to the county may be considered as new construction only if manufactured homes that move out of the county are recognized as destroyed property.

- The value assigned to new construction must reflect the new improvement contribution to the total value of the property, at the current level of value. For intervening years, it is the difference between the assessor's new total improvement value and the old value of the partially completed structure. In years of reappraisal, new construction is the amount of value equal to the additional percentage of completion of the improvement or the percentage of contribution of the improvement to the new total value.

**Example:** If a structure increases from 80% complete to 100% complete, the new construction will reflect 20% of the total value of the improvement calculated at the new level of value. Similarly, if a remodel or addition contributes 20% of the value to the structure, then new construction would be reported at 20% of the new reappraised value.

For residential properties, the value of the remodel or addition must be determined by the market approach to value. If the structure change results in added value to the improvement, it is reported as new construction.

For structures that take longer than one year to complete, two options exist for reporting the value of the new construction. Option one: report only that portion of the value of the structure completed each year as new construction. Any portion of the value of the structure that was reported as new construction the previous year is not reported again. Option two: report the full value of the new structure as new construction when the structure is 100 percent complete.

### **Line N - Annexations/Inclusions**

Certify the actual value of taxable real property annexed into the boundary of a municipality and the actual value of taxable real property included within the boundary of a special district. The amount is certified ONLY to the entity that is affected.

- If new construction exists within an annexed or included area, the value of the new construction is certified as either new construction OR as an annexation/inclusion for that taxing entity, NOT BOTH.
- The actual value of the taxable real property within the annexed or included area is reflected in the current year's actual valuation for the taxing entity that included the property in its boundaries.

### **Line O - Increased Mining Production**

**Producing Mines Land (abstract codes 6110, 6120, 6130, 6140, 6150):** For a new producing mine, certify the actual value of the producing mines land. For an existing producing mine, certify an increase to the actual value of the producing mines land, § 39-6-106(5), C.R.S. Producing mines are defined in §§ 39-6-101(1), 104 and 105, C.R.S. There is **no assessment rate** for land for producing mines. The actual and assessed values are the same figure, which is the greater of 25 percent of gross proceeds or 100 percent of net proceeds. (For instructions on classification, refer to *Producing Mines Property*, in **Chapter 6, Property Classification Guidelines and Assessment Percentages**.)

**Natural Resources Land (abstract codes 5110, 5120):** For a new producing natural resources property, certify the actual value of the natural resources land. Do not certify an increase to the actual value of a previously existing natural resources property. The assessment rate for natural resources land is 29 percent. (For instructions on classification, refer to *Natural Resources Property*, in **Chapter 6, Property Classification Guidelines and Assessment Percentages**.)

### **Line P - Previously Exempt Property**

Certify the actual value of real property that changed from an exempt status to a taxable status (previously exempt).

To simplify the reporting of this value, it is recommended that assessors report the full-year value of the property that changed taxable status rather than certifying prorated values over two years. In some instances the property that became taxable is only a portion of the entire property.

The actual value of real property possessory interests is included in this figure the first year the interest is valued. The value reported is for the current year only, and is the full value of the possessory interest.

The actual value of real property that was exempt pursuant to a lease with the state, a political subdivision, or a state supported institution of higher education is included in this figure when the property returns to a taxable status. See § 39-3-124(1)(b)(I), C.R.S., for details regarding this exemption.



## **Line Q - Oil or Gas Production From a New Well**

Certify the actual value of new oil or gas production. This production must be from a new well. For all wells except coal bed methane wells, the production certified to taxing entities will be the amount reported in the first year of production.

The value certified for coal bed methane gas wells includes the first 12 months of product sold or transported from the premises unsold. In most cases, the 12 months of production will be reported by the operator over a two-year time period. For example, a well began producing in June of 2017. The June through December 2017 production figures are reported by the operator in 2018. The value from this seven-month period is certified to the taxing entities in August of 2018. The January through December 2018 production figures are reported by the operator in 2019. The value reported in 2019 must be prorated to account for the full 12-month period (seven months reported in 2018 + five months reported in 2019 = 12 months). The assessor must determine the value attributable to the five-month period from January 2019 through May 2019. The value from this five-month period is certified to taxing entities in August of 2019.

## **Line R - Taxable Real Property Omitted From The Previous Year's Tax Warrant**

Except for omitted property that is being certified as new construction, certify the current year actual value of real property omitted from the previous year's tax warrant. The value certified reflects property that was discovered and valued as omitted property at any time after values were recertified in December of the prior year. The actual value of taxable real property possessory interests is included in this value.

Based on the Supreme Court's decision in Aggers, Assessor, v. People Ex Rel. The Town of Montclair, 20 Colo. 348, 38 P. 386 (1894), the concept of omitted property has been expanded to include property for which the mill levies of one or more taxing entities were omitted from the property on the tax warrant. Revenue collected on this type of omitted property is included in the omitted revenue certified to taxing entities for the 5.5 percent limit calculation. However, the question of whether it should also be included in the actual value certified to taxing entities as omitted property for local growth is more complex. The Division recommends that such value should not be included in the total actual value of omitted property certified, but it should be separately listed and explained on an addendum to the certification.

Depending on the circumstances of the omission, a taxing entity, in consultation with its attorney, may determine that the actual value associated with such revenue should be included in its local growth calculation. For instance, if the omission occurred because a recent annexation or inclusion was not processed correctly, the entity may determine that it had not been certified the appropriate value for the annexation or inclusion, resulting in a reduced local growth calculation for a prior year. The entity might then determine that it should correct the error by including the additional omitted value as local growth for the current year. However, if the omission was caused by the placement of a wrong tax area on property that had been serviced by the taxing entity for many years, the entity might determine that the error had no effect or a nominal effect on its local growth calculation. The question of whether such value should be included as local growth is a decision for the taxing entity, not the assessor.

The Division suggests that the addendum to the certification include a description of the properties involved, the tax year or years for which the entity's mill levy was omitted, and a statement explaining why it was omitted. In addition, the statement should recommend that the entity consult with its attorney to determine if the value should be included in the calculation of its fiscal year spending and property tax limits pursuant to § 20(7)(b) and (c), art. X, COLO. CONST.

The collection of omitted revenue is discussed in **Chapter 3, Specific Assessment Procedures, under Omitted Revenue.**

**NOTE:** If land and/or an improvement, including real property possessory interests, was picked up as omitted property for multiple years, only the most current year's value is reported as omitted property.

## **Line S - Destruction of Taxable Real Property Improvements**

Certify the actual value of taxable real property improvements destroyed or demolished in the current year. Two options exist for tracking the total amount attributable to demolished and destroyed property

Option one: certify the full value of the destroyed property, not the prorated amount used for tax purposes.

Option two: for the current year certify the prorated value removed from the current year's tax roll and certify the remaining prorated value the following year; thus, the full value of the destroyed property is reported over a two-year period.

If the assessor chooses to recognize manufactured homes as new construction, manufactured homes that move out of the county must be recognized as destroyed property.

## **Line T - Disconnections/Exclusions**

Certify the actual value of taxable real property disconnected from the boundary of a municipality and the actual value of taxable real property excluded from the boundary of a special district. The amount is certified ONLY to the taxing entity that is affected.

The actual value of the taxable real property within the area disconnected or excluded is not reported in the current year's actual valuation for the taxing entity that removed the property from its boundaries.

Property owners are liable for taxes levied to retire outstanding indebtedness, §§ 31-12-502, 31-12-604, 31-12-705, and 32-1-503(1), C.R.S. When a bond exists, the taxable value of the property within the area disconnected or excluded must be separately certified to the taxing entity each year until the bond is retired. Please refer to **Chapter 7, Abstract, Certification, and Tax Warrant, under Subdistricts** for further discussion of this issue.

## **Line U - Previously Taxable Property**

Certify the actual value of real property that changed from a taxable status to an exempt status (previously taxable). The value reflected is for the current year only. To simplify the reporting of this value, it is recommended that assessors report the full-year value of the property that changed taxable status rather than certifying prorated values over two years. In some instances the property exempted is only a portion of the entire property.

The actual value of real property possessory interests is included in this figure if an agreement (lease/permit) is not renewed. The value reported is for the current year only and is the full value of the possessory interest.

The actual value of real property that becomes exempt pursuant to a lease with the state, a political subdivision, or a state supported institution of higher education is included in this figure. See § 39-3-124(1)(b)(I), C.R.S., for details regarding this exemption.

## **SCHOOL DISTRICT ELECTIONS**

### **Line V – Total Actual Value of All Taxable Property**

No later than August 25, the assessor certifies to school districts the total actual value of all taxable real and personal property, including taxable real and personal property possessory interests, § 39-5-128(1),

C.R.S. This information is utilized by school districts for election purposes.

- If a school district gives a personal property exemption as allowed under the Colorado Constitution, the actual value must reflect that action, but the reduction must also be itemized

## **SCHOOL DISTRICT ELECTIONS**

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If a school district gives a personal property exemption as allowed under the Colorado Constitution, the actual value must reflect that action, but the reduction must also be itemized

### **Line W – Aggregate Value of exempt business personal property**

For the property tax years commencing on January 1, 2022, and each year thereafter, each assessor shall calculate and estimate of the aggregate value of exempt business personal property for the county and each local governmental entity located within the county that is equal to the applicable baseline xemption total adjusted by the growth factor for each property tax year commencing on and after January 1, 2022. (-1.5% for 2022) §39-3-119.5.

## **5.25% STATUTORY PROPERTY TAX REVENUE LIMITATION (29-1-1703, C.R.S.)**

### **Line AA – Current Year’s Gross Total Taxable Assessed Valuation**

Certify the current year’s gross assessed value of the taxable real and personal property, including taxable real and personal property possessory interest, within each taxing entity’s boundaries

- When a non-school taxing entity gives a personal property exemption as allowed under the Colorado Constitution, the assessed value must reflect that action.
- The assessed value for state assessed property is shown in the column titled “\$ Assessed” on the Notice of Valuation. This amount reflects the taxable value of both real and personal property. The assessor must split each company’s value between real and personal according to the company’s distribution letter or according to Division recommendations.

### **Line AB – TIF Area Increments**

Certify the sum of the increment values of any tax increment finance areas that lie within the boundaries of the taxing entity.

### **Line AC - Current Year’s Net Total Taxable Assessed Valuation**

Certify the current year’s net total assessed value. The value is the difference between the current year’s gross total assessed value and the increment value. If there is no tax increment financing area or no increment value, the “Current Year’s Net Total Assessed Value” is the same as the “Current Year’s Gross Total Assessed Value.”

The mill levy is calculated using the current year’s net assessed value, but it is levied against the current year’s gross assessed value. The tax revenue produced by the increment valuation is paid into the funds of the tax increment financing authority, §§ 39-5-128(3), 31-25-107(9)(a), 31-25-807(3)(a), and 30-31-109(13)(a), C.R.S. Please refer to the discussion of Tax Increment Financing found in Chapter 12, Special Topics.

### **Line AD – New Construction §29-1-1701(3)(a), C.R.S.**

Certify the taxable value from the increased valuation for assessment within the taxing entity for the proceeding property tax year that is attributable to new construction and personal property connected there within, as defined by the property tax administrator in manual prepared pursuant to section 39-2-109(1)(e). Also certify the current year assessed value of taxable real property that was constructed during a recent prior year, and associated personal property, if the value of the property had never been reported as new construction because it was omitted from the assessment roll. Do not report more than one year’s worth of value, even if the new construction was omitted for more than one year. New construction includes remodels and additions. A manufactured home may be considered as new construction if it is new to the county and is not replacing a manufactured home that previously existed at the same location. For state assessed properties, use the new construction amount listed in the “5.5% Limit” column on the Notice of Valuation.

- The value assigned to new construction must reflect the new improvement contribution to the total value of the improvement, at the current level of value. For intervening years, it

is the difference between the assessor's new total improvement value and the old value of the partially completed structure. In years of reappraisal, new construction is the amount of value equal to the additional percentage of completion of the improvement or the percentage of contribution of the improvement to the new total value.

- Example: If a structure increases from 80% complete to 100% complete, the new construction will reflect 20% of the total value of the improvement calculated at the new level of value. Similarly, if a remodel or addition contributes 20% of the value to the structure, then new construction would be reported at 20% of the new reappraised value. For residential properties, the value of the remodel or addition must be determined by the market approach to value. If the structure change results in added value to the improvement, it is reported as new construction.
- For structures that take longer than one year to complete, two options exist for reporting the value of the new construction. Option one: report only that portion of the value of the structure completed each year as new construction. Any portion of the value of the structure that was reported as new construction the previous year is not reported again. Option two: report the full value of the new structure as new construction when the structure is 100 percent complete.
- NOTE: New construction does not include the production-based value of a new well, and it does not include the personal property associated with a new well.

#### **Line AE- Annexations/Inclusion §29-1-1701(3)(b)**

Certify the taxable value from the increased valuation for assessment attributable to the annexation or inclusion of additional land, the improvements thereon, and personal property connected therewith within the taxing entity for the preceding property tax year. The amount is certified ONLY to the entity that is affected.

- If new construction exists within an annexed or included area, the value of the new construction is certified as either new construction OR as an annexation/inclusion for that taxing entity, NOT BOTH.
- The assessed value of the taxable real and personal property within the annexed or included area is reflected in the "Current Year's Gross Assessed Value" for the taxing entity that included the property in its boundaries.

Please note: this is different than what is reported on the 5.5% revenue limit. What is reported here is not restricted for federal property becoming taxable.

#### **Line AF – Previously Exempt Property §29-1-1701(3)(f)**

Certify the taxable value of all property that was legally exempt property in the previous property tax year that becomes taxable. The assessed value of real and personal property possessory interests is included in this figure the first year the interest is valued.

Please note: this is different than what is reported on the 5.5% revenue limit. All previously exempt property is reported, this number is not restricted to federal property becoming taxable.

**Line AG- Taxes Received Last year on Omitted Property §29-1-1701(3)(d)**

Certify Property tax revenue for property that was omitted from the assessment roll in the preceding property tax year. Certify the amount of revenue received by the taxing entity between August 1 of the preceding year and July 31 of the current year as taxes paid on taxable property that was previously omitted from the tax warrant. This includes omitted property revenue from taxable real and personal property possessory interests. It also includes revenue received in conjunction with oil and gas leaseholds and lands that had been omitted from the assessment roll. It does not include revenue received for a prior year from oil and gas leaseholds and lands due to underreporting of the selling price or quantity sold.

Based on the Supreme Court's decision in *Aggers, Assessor, v. People Ex Rel. The Town of Montclair*, 20 Colo. 348, 38 P. 386 (1894), the concept of omitted property has been expanded to include property for which the mill levies of one or more taxing entities were omitted from the property on the tax warrant.

Obtain the information from the treasurer and report the amount received by each entity from August 1 of the previous year to July 31 of the current year. Proportionate calculations may need to be done to determine the amount for each entity based on their respective mill levy.

Omitted revenue for this reporting purpose does not include typographical errors or otherwise erroneous levies applied for a specific taxing entity. Omitted revenue should only include revenue from property completely omitted from the tax roll or property omitted from a taxing district.

**Line AH- Change in Law for a Property Tax Classification §29-1-1701(3)(b)**

Certify the assessed value amount derived from the increased valuation for assessment attributable to a change in law for a property tax classification for the taxing entity for the preceding property tax year.

For example, an increase in an assessment rate for a class or subclass of property due to legislative changes in law. Change in law for property tax classification does not include change in classification due to property use changes.

**Line AI- Taxes Abated and Refunded as of August 1 §29-1-1701(3)(e)**

Certify the tax revenue abated or refunded by the taxing entity. The assessor obtains this information from the county treasurer. The amount reported is the total property tax revenue for any year that was abated or refunded by the taxing entity from August 1 of the previous year through July 31 of the current year. The figure includes revenue lost as a result of BAA and court decisions on appeals of value. The amount reported includes abatements for real and personal property possessory interests.

**Line AJ- Previous Year's Total Producing Mines or Primary Oil or Gas Production §29-1-1701(3)(g)**

Certify the assessed valuation of any producing mines or lands or leaseholds producing oil or gas. This value will include the total valuation from any producing mines or land or leaseholds producing oil and gas, not just new production in the current year.

**Line AK- Revenue Increase from Expired TIF §29-1-1701(3)(c)**

Certify the revenue increase due to the expiration in the previous property tax year of the use of the local governmental entity's incremental tax revenues diverted for the purposes of Tax Increment Financing.

The assessor should work with the treasurer to obtain the revenue increase.

