

**First Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 09-0410.01 Ed DeCecco

SENATE BILL 09-085

SENATE SPONSORSHIP

Scheffel and Williams, Mitchell

HOUSE SPONSORSHIP

Lambert and Priola, McNulty

Senate Committees

Business, Labor and Technology
Finance
Appropriations

House Committees

Appropriations

A BILL FOR AN ACT

101 **CONCERNING A PROPERTY TAX EXEMPTION FOR BUSINESS PERSONAL**
102 **PROPERTY.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Exempts a percentage of business personal property, excluding state-assessed property, from property taxation. Increases the amount of the exemption every 2 years until all business personal property is exempt.

1 *Be it enacted by the General Assembly of the State of Colorado:*

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

1 2027, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER, ELEVEN
2 PERCENT;

3 (VI) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
4 2031, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER, EIGHTEEN
5 PERCENT;

6 (VII) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
7 2035, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER,
8 TWENTY-NINE PERCENT;

9 (VIII) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY
10 1, 2039, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER,
11 FORTY-SEVEN PERCENT;

12 (IX) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
13 2043, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER,
14 SEVENTY-SIX PERCENT; AND

15 (X) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
16 2047, AND EACH PROPERTY TAX YEAR THEREAFTER, ONE HUNDRED
17 PERCENT.

18 (b) (I) ON OR BEFORE JANUARY 1, 2013, LEGISLATIVE COUNCIL
19 STAFF SHALL SUBMIT A REPORT TO THE BUSINESS AFFAIRS AND LABOR
20 COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE BUSINESS,
21 LABOR, AND TECHNOLOGY COMMITTEE OF THE SENATE, OR ANY
22 SUCCESSOR COMMITTEES, THAT SETS FORTH THE DECREASE IN REVENUE
23 FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1, 2011, TO
24 MUNICIPALITIES, COUNTIES, SPECIAL DISTRICTS, AND SCHOOL DISTRICTS BY
25 OPERATION OF THE EXEMPTION CREATED IN PARAGRAPH (a) OF THIS
26 SUBSECTION (2) BASED ON THE CERTIFIED MILL LEVY FOR EACH LOCAL
27 GOVERNMENT.

1 (II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JANUARY 1,
2 2014.

3 (3) THE EXEMPTION SET FORTH IN SUBSECTION (2) OF THIS SECTION
4 SHALL NOT APPLY TO BUSINESS PERSONAL PROPERTY LOCATED IN A
5 COUNTY IN WHICH THE ASSESSED VALUE OF BUSINESS PERSONAL
6 PROPERTY FOR A PROPERTY TAX YEAR COMMENCING ON OR AFTER
7 JANUARY 1, 2010, IS THIRTY PERCENT OR MORE OF THE TOTAL ASSESSED
8 PROPERTY VALUE IN THE COUNTY FOR THE SAME YEAR. SUCH EXEMPTION
9 SHALL NOT APPLY TO THE PROPERTY TAX LEVIED BY THE COUNTY OR A
10 MUNICIPALITY, SPECIAL DISTRICT, OR SCHOOL DISTRICT LOCATED WITHIN
11 THE COUNTY UNTIL THE FIRST YEAR SUBSEQUENT TO A PROPERTY TAX
12 YEAR IN WHICH THE ASSESSED VALUE OF BUSINESS PERSONAL PROPERTY
13 LOCATED IN THE COUNTY IS LESS THAN THIRTY PERCENT OF THE TOTAL
14 ASSESSED PROPERTY VALUE IN THE COUNTY.

15 **SECTION 2.** 39-4-102 (3), Colorado Revised Statutes, is
16 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

17 **39-4-102. Valuation of public utilities.** (3) (e) BUSINESS
18 PERSONAL PROPERTY OWNED BY A PUBLIC UTILITY SHALL BE EXEMPT
19 FROM THE LEVY AND COLLECTION OF PROPERTY TAX PURSUANT TO
20 SECTION 39-3-118.5 (2). THE VALUE OF THE EXEMPTION SHALL BE
21 REMOVED FROM THE SYSTEM MARKET VALUE AND SHALL BE DETERMINED
22 BY APPLYING THE MARKET TO BOOK RATIO TO THE NET OF THE HISTORICAL
23 COST LESS DEPRECIATION OF THE BUSINESS PERSONAL PROPERTY.

24 **SECTION 3. Act subject to petition - effective date.** This act
25 shall take effect at 12:01 a.m. on the day following the expiration of the
26 ninety-day period after final adjournment of the general assembly that is
27 allowed for submitting a referendum petition pursuant to article V,

1 section 1 (3) of the state constitution, (August 4, 2009, if adjournment
2 sine die is on May 6, 2009); except that, if a referendum petition is filed
3 against this act or an item, section, or part of this act within such period,
4 then the act, item, section, or part, if approved by the people, shall take
5 effect on the date of the official declaration of the vote thereon by
6 proclamation of the governor.