

**CORRECTED**

SENATE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

April 15, 2009  
Date

Committee on Appropriations.

After consideration on the merits, the Committee recommends the following:

SB09-085 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

- 1 Amend printed bill, page 2, line 3, strike "**exemption.**" and substitute
- 2 "**exemption - repeal.**";
- 3 line 8, strike "EXCEPT AS OTHERWISE SET FORTH IN PARAGRAPH (b) OF";
- 4 line 9, strike "THIS SUBSECTION (2), FOR" and substitute "FOR";
- 5 line 10, strike "2009," and substitute "2011,";
- 6 line 11, strike "PROPERTY" and substitute "PROPERTY, REGARDLESS OF THE
- 7 PROPERTY TAX YEAR IN WHICH SUCH PROPERTY IS FIRST USED IN A
- 8 BUSINESS,";
- 9 strike lines 14 through 27.
- 10 Page 3, strike lines 1 through 10 and substitute the following:
  - 11 "(I) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
  - 12 2011, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER, ONE
  - 13 PERCENT;
  - 14 (II) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
  - 15 2015, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER, THREE

1 PERCENT;

2 (III) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,  
3 2019, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER, FOUR  
4 PERCENT;

5 (IV) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,  
6 2023, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER, SEVEN  
7 PERCENT;

8 (V) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,  
9 2027, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER, ELEVEN  
10 PERCENT;

11 (VI) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,  
12 2031, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER, EIGHTEEN  
13 PERCENT;

14 (VII) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,  
15 2035, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER,  
16 TWENTY-NINE PERCENT;

17 (VIII) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY  
18 1, 2039, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER,  
19 FORTY-SEVEN PERCENT;

20 (IX) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,  
21 2043, AND THE NEXT THREE PROPERTY TAX YEARS THEREAFTER,  
22 SEVENTY-SIX PERCENT; AND

23 (X) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,  
24 2047, AND EACH PROPERTY TAX YEAR THEREAFTER, ONE HUNDRED  
25 PERCENT.

26 (b) (I) ON OR BEFORE JANUARY 1, 2013, LEGISLATIVE COUNCIL  
27 STAFF SHALL SUBMIT A REPORT TO THE BUSINESS AFFAIRS AND LABOR  
28 COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE BUSINESS,  
29 LABOR, AND TECHNOLOGY COMMITTEE OF THE SENATE, OR ANY  
30 SUCCESSOR COMMITTEES, THAT SETS FORTH THE DECREASE IN REVENUE  
31 FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1, 2011, TO  
32 MUNICIPALITIES, COUNTIES, SPECIAL DISTRICTS, AND SCHOOL DISTRICTS BY

1 OPERATION OF THE EXEMPTION CREATED IN PARAGRAPH (a) OF THIS  
2 SUBSECTION (2) BASED ON THE CERTIFIED MILL LEVY FOR EACH LOCAL  
3 GOVERNMENT.

4 (II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JANUARY 1,  
5 2014.

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

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

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

27 Renumber succeeding section accordingly.

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