

**Amendment R**  
**Exempt Possessory Interests in Real Property**

1 **Ballot Title:** Shall there be an amendment to section 3 (1) (b) of article X of the  
2 constitution of the state of Colorado, concerning an exemption from property taxation  
3 for a possessory interest in real property if the actual value of the interest is less than or  
4 equal to six thousand dollars or such amount adjusted for inflation?

5 **Text of Proposal:**

6 *Be It Resolved by the House of Representatives of the Sixty-seventh General*  
7 *Assembly of the State of Colorado, the Senate concurring herein:*

8 **SECTION 1.** At the next election at which such question may be submitted,  
9 there shall be submitted to the registered electors of the state of Colorado, for their  
10 approval or rejection, the following amendment to the constitution of the state of  
11 Colorado, to wit:

12 Section 3 (1) (b) of article X of the constitution of the state of Colorado is  
13 amended to read:

14 **Section 3. Uniform taxation - exemptions.** (1) (b) (I) Residential real  
15 property, which shall include all residential dwelling units and the land, as defined by  
16 law, on which such units are located, and mobile home parks, but shall not include  
17 hotels and motels, shall be valued for assessment at twenty-one percent of its actual  
18 value. For the property tax year commencing January 1, 1985, the general assembly  
19 shall determine the percentage of the aggregate statewide valuation for assessment  
20 which is attributable to residential real property. For each subsequent year, the general  
21 assembly shall again determine the percentage of the aggregate statewide valuation for  
22 assessment which is attributable to each class of taxable property, after adding in the  
23 increased valuation for assessment attributable to new construction and to increased  
24 volume of mineral and oil and gas production. For each year in which there is a change  
25 in the level of value used in determining actual value, the general assembly shall adjust  
26 the ratio of valuation for assessment for residential real property which is set forth in this  
27 paragraph (b) as is necessary to insure that the percentage of the aggregate statewide  
28 valuation for assessment which is attributable to residential real property shall remain  
29 the same as it was in the year immediately preceding the year in which such change  
30 occurs. Such adjusted ratio shall be the ratio of valuation for assessment for residential  
31 real property for those years for which such new level of value is used. In determining  
32 the adjustment to be made in the ratio of valuation for assessment for residential real  
33 property, the aggregate statewide valuation for assessment that is attributable to  
34 residential real property shall be calculated as if the full actual value of all

1 owner-occupied primary residences that are partially exempt from taxation pursuant to  
2 section 3.5 of this article was subject to taxation. All other taxable property shall be  
3 valued for assessment at twenty-nine percent of its actual value. However, the valuation  
4 for assessment for producing mines, as defined by law, and lands or leaseholds  
5 producing oil or gas, as defined by law, shall be a portion of the actual annual or actual  
6 average annual production therefrom, based upon the value of the unprocessed material,  
7 according to procedures prescribed by law for different types of minerals.  
8 Non-producing unpatented mining claims, which are possessory interests in real  
9 property by virtue of leases from the United States of America, shall be exempt from  
10 property taxation. OTHER POSSESSORY INTERESTS IN REAL PROPERTY SHALL BE EXEMPT  
11 FROM PROPERTY TAXATION AS SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (b).

12 (II) (A) FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1, 2012, A  
13 POSSESSORY INTEREST IN REAL PROPERTY SHALL BE EXEMPT FROM THE LEVY AND  
14 COLLECTION OF PROPERTY TAX IF THE ACTUAL VALUE OF SUCH POSSESSORY INTEREST  
15 IN REAL PROPERTY IS LESS THAN OR EQUAL TO SIX THOUSAND DOLLARS.

16 (B) FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2013, A  
17 POSSESSORY INTEREST IN REAL PROPERTY SHALL BE EXEMPT FROM THE LEVY AND  
18 COLLECTION OF PROPERTY TAX IF THE ACTUAL VALUE OF SUCH POSSESSORY INTEREST  
19 IN REAL PROPERTY IS LESS THAN OR EQUAL TO SIX THOUSAND DOLLARS ADJUSTED  
20 BIENNIALLY TO ACCOUNT FOR INFLATION AS DEFINED IN SECTION 20 (2) (f) OF ARTICLE  
21 X OF THIS CONSTITUTION. ON OR BEFORE NOVEMBER 1, 2012, AND ON OR BEFORE  
22 NOVEMBER 1 OF EACH EVEN-NUMBERED YEAR THEREAFTER, THE PROPERTY TAX  
23 ADMINISTRATOR SHALL CALCULATE THE AMOUNT OF THE EXEMPTION FOR THE NEXT  
24 TWO-YEAR CYCLE USING INFLATION FOR THE PRIOR TWO CALENDAR YEARS AS OF THE  
25 DATE OF THE CALCULATION. THE ADJUSTED EXEMPTION SHALL BE ROUNDED UPWARD  
26 TO THE NEAREST ONE-HUNDRED-DOLLAR INCREMENT. THE ADMINISTRATOR SHALL  
27 CERTIFY THE AMOUNT OF THE EXEMPTION FOR THE NEXT TWO-YEAR CYCLE AND PUBLISH  
28 THE AMOUNT IN A MANNER PROVIDED BY LAW.

29 **SECTION 2.** Each elector voting at said election and desirous of voting for or  
30 against said amendment shall cast a vote as provided by law either "Yes" or "No" on the  
31 proposition: "SHALL THERE BE AN AMENDMENT TO SECTION 3 (1) (b) OF ARTICLE X OF  
32 THE CONSTITUTION OF THE STATE OF COLORADO, CONCERNING AN EXEMPTION FROM  
33 PROPERTY TAXATION FOR A POSSESSORY INTEREST IN REAL PROPERTY IF THE ACTUAL  
34 VALUE OF THE INTEREST IS LESS THAN OR EQUAL TO SIX THOUSAND DOLLARS OR SUCH  
35 AMOUNT ADJUSTED FOR INFLATION?"

36 **SECTION 3.** The votes cast for the adoption or rejection of said amendment  
37 shall be canvassed and the result determined in the manner provided by law for the  
38 canvassing of votes for representatives in Congress, and if a majority of the electors  
39 voting on the question shall have voted "Yes", the said amendment shall become a part  
40 of the state constitution.