A BILL FOR AN ACT

CONCERNING AN INCREASE IN THE PER-SCHEDULE EXEMPTION OF BUSINESS PERSONAL PROPERTY.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

There is an exemption from property tax for business personal property that would otherwise be listed on a single personal property schedule that is equal to $7,300 for the current property tax year cycle. The bill triples the exemption to $21,900 for the next 2 property tax years and adjusts it for inflation for subsequent property tax cycles.
Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 39-3-119.5, amend (2)(a)(III), (2)(a)(IV), and (2)(b)(I); and add (2)(a)(V) and (2)(a)(VI) as follows:

39-3-119.5. Personal property - exemption - definitions.

(2) (a) The exemption created in subsection (1) of this section shall be up to and including the following amounts:

(III) Five thousand five hundred dollars for property tax years commencing on January 1, 2011, and January 1, 2012; and

(IV) Seven thousand dollars for property tax years commencing on January 1, 2013, and January 1, 2014;

(V) SEVEN THOUSAND THREE HUNDRED DOLLARS FOR PROPERTY TAX YEARS COMMENCING ON JANUARY 1, 2015, AND JANUARY 1, 2016; AND

(VI) TWENTY-ONE THOUSAND NINE HUNDRED DOLLARS FOR PROPERTY TAX YEARS COMMENCING ON JANUARY 1, 2017, AND JANUARY 1, 2018.

(b) (I) Beginning with the property tax year commencing on January 1, 2015 JANUARY 1, 2019, the amount of the exemption created in subsection (1) of this section shall be adjusted biennially to account for inflation since the amount of the exemption last changed pursuant to this subsection (2). On or before NOVEMBER 1, 2014 NOVEMBER 1, 2018, and each even-numbered year thereafter, the administrator shall calculate the amount of the exemption for the next two-year cycle using inflation for the prior two calendar years as of the date of the calculation. The adjusted exemption shall be rounded upward to the nearest one hundred dollar
increment. The administrator shall certify the amount of the exemption for the next two-year cycle and publish the amount on the website maintained by the division of property taxation in the department of local affairs.

SECTION 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2018 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.