

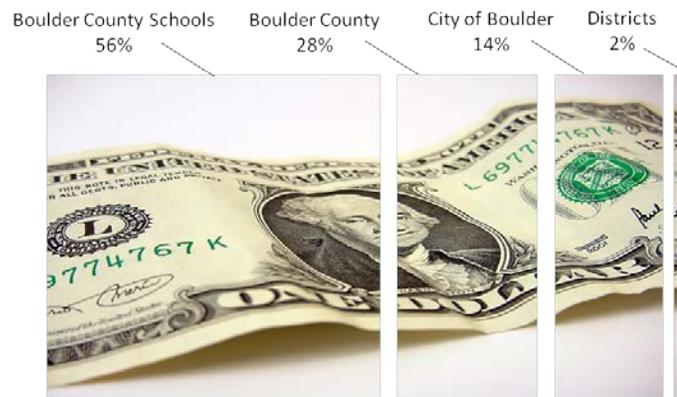
Questions about your property tax assessment?

The property tax assessment process, conducted by Boulder County, is the method to generate tax revenues that pay for schools, roads, public safety and other public services. Revenues are distributed to taxing entities within the county and 14% of your property tax bill is allocated for the City of Boulder services. The majority of property taxes are allocated to schools and county services followed by the city and special districts.

The Boulder County Assessor identifies and values all properties within Boulder County. Notices of Valuations are mailed to property owners in May, and **property owners may appeal their assessments to the Boulder County Assessor by contacting the office at 303-441-3530.** Additional information is available at bouldercountyassessor.org.

The Boulder County Assessor certifies the total value of all properties within the county each year in August. Individual taxing authorities use this information to determine their mill levies. If there are changes made due to assessment appeals or abatements, the values are recertified in December.

Property owners have the right to review the County Assessor's property records and to file an appeal with the County Assessor.



Summary of 2018 Property Tax Calculation

The Gallagher Amendment, passed in 1982, was designed to maintain a constant ratio between the property tax revenue that comes from residential property and from business property. The effect of the amendment was to reduce the assessment rate (the percent of property value that is subject to taxation) whenever statewide total residential property values increased faster than business property values. As a result of the Gallagher Amendment, the assessment rate for residential property has declined by more than two-thirds over the years because of Colorado's population growth and because of increases in residential real estate values.

In 2017 there was an overall increase of residential property value, relative to non-residential property across the state, so another change in assessment percentages for residential property has been recommended by the State. The State recommendation maintains compliance with the Gallagher Amendment. Further, the amendment mandates that the assessment rate for commercial property be fixed at 29%.

For many years, residential property taxes were calculated on 7.96% of the value of the property. For 2018 collections, the residential rate decreased to 7.2%. This means that, even though property values have increased, residential property taxes will not go up at the full rate of the increase.

The calculation of property tax is:

$$\text{Market Value of Property} \times \text{Assessment Rate} \times \text{Mill Levy} = \text{Property Tax}$$

For example, in 2017 a home valued at \$100,000 paid \$95.37 in taxes to the City of Boulder (\$100,000, the market value of the property, is multiplied by the assessment rate (7.96%) and the mill levy for the City of Boulder (11.981)). To perform the calculation, use 0.011981 to represent the multiplier for the mill levy.

In our example, in 2018 that same property increased 20% in market value to \$120,000. Without the Gallagher assessment rate adjustment, the potential property taxes paid to the City of Boulder would have been \$114.44. However, with the State proposed decreased assessment rate of 7.2%, the new potential taxes will be \$103.52 or a 10.5% decrease in 2018



taxes without any decrease in the property value. Another way of looking at it is for a property value increase of 20%, total potential taxes increase by 8.5%.

A commercial property valued at \$100,000 would be subject to the same formula, but would be taxed on 29% of its worth, or \$29,000 for a total tax liability of \$347.

City of Boulder General Fund Tax Revenues

Property taxes provide about 22% of the city's General Fund budget to deliver local services and programs. An important part of the overall city budget, the General Fund provides support for fire, police, library, parks and recreation, public works, and human services operations as well as governance services such as human resources, information technology and public information services.