



Statewide residential property increased by \$1.2 billion, from \$33.1 billion in 2005 to \$34.35 billion in 2006, with every county reporting an increase. Douglas County recorded the largest gain, up \$152 million, followed by the \$143 million gain in El Paso County. In percentage terms, Costilla County showed the largest gain, up about 12%.

Residential property exceeded \$1 billion in assessed value in eleven counties. Jefferson County reported the largest total at about \$4 billion in residential assessments. Residential values exceeded \$1 billion in two small, mountain-resort counties, Eagle and Pitkin. Residential values accounted for over 50% of total assessments in 12 counties ranging from highs of about 67% in Elbert County and 66% in Pitkin County to 2.4% of the county total in Cheyenne. The change in residential values is shown in [Table 2](#).

Commercial property accounted for 27% of total assessed value in the state in 2006. Commercial values rose by \$459 million statewide, from \$19.7 billion in 2005 to \$20.1 billion in 2006. Denver reported the largest increase, up about \$76 million, followed by the \$62 million gain in Larimer County. Costilla County had the largest percentage increase, up 11%. Of the 14 counties recording declines in commercial property, Summit County reported the largest loss, at \$14.5 million and the largest percentage decrease, at 5%. Within counties, commercial property's share of assessments ranged from a high of 62% in Gilpin County to a low of 2.9% in Rio Blanco County. Commercial property values and changes between 2005 and 2006 are shown in [Table 3](#).

Industrial property accounted for 3.8% of total assessments and ranged from about 21% of the county total in Fremont to 0% in three counties, Crowley, Kiowa and Pitkin. Industrial property assessments increased by about \$37 million and totaled \$2.8 billion in 2006. Industrial assessments are shown in [Table 4](#).

Agricultural assessments rose by \$6 million in 2006, only a 0.7% gain, and accounted for 1.1% of statewide assessments. However, agricultural property is significant in a number of counties. It represents more than 20% of the total in 12 counties with two Eastern Plains counties, Sedgwick at 42% and Kiowa at 41%, reporting the largest share of agricultural assessments. Like a number of other property classes, agricultural values are based on the earning or productive capacity of the land and not the market value. Changes in agricultural property are shown in [Table 5](#).

The second smallest property class statewide, natural resources, reported an increase of 11% in assessed value and totaled about \$345 million in 2006. Natural resources include coal, earth or stone products and severed mineral interests. Over three-fifths of all natural resource assessments were reported by Gunnison, Moffat, Delta, Routt and Rio Blanco counties. Natural resource assessment accounted for 17% of county assessments in San Juan County, the largest share of any county for that class. Natural resource assessment changes are shown in [Table 6](#).

Producing mines comprise the smallest property class, representing only 0.2% of total assessments. They amounted to \$173.3 million in 2006. This category had the largest percentage growth, up 71%, of the nine property classes. Three counties, Clear Creek,

Teller and Grand, accounted for 93% of producing mines values. Only in Clear Creek County was this class significant as a portion of assessed values, representing over 36% of total assessments. Producing mines include molybdenum and base, precious and strategic minerals, such as gold. The value of the land in natural resources and producing mines is calculated as a percentage of the selling price. [Table 7](#) shows changes in the producing mines property class.

As a result of the large increases in energy prices, assessments on the oil and gas property class rose from \$1.5 billion in 2000 to \$7.3 billion in 2006. The increase in oil and gas values accounted for about 58% of the overall statewide gain in assessed values. Oil and gas assessed value rose by 45% in 2006. The oil and gas property class reported the largest dollar increase, up nearly \$2.3 billion, and totaled \$7.3 billion in 2006. The Division of Property Taxation notes that “the value of oil and gas land is calculated as a percentage of the sale price obtained for the product at the wellhead.”

About 75% of the total assessment in oil and gas was reported by three counties, La Plata, Garfield and Weld. In several counties, oil and gas accounted for a high share of overall assessments: the property class accounted for 77% of total assessments in Las Animas County, 75% in Rio Blanco County, 72% in Cheyenne County, 68% in Garfield County and 66% in La Plata County. Local government revenues in these counties often experience the wide market fluctuations in this property class. [Table 8](#) shows assessment changes for oil and gas.

The vacant land property class reported a decline of \$146.5 million in 2006. The 3.1% decrease was the largest of the nine property classes. While vacant land represented only 6% of statewide assessments, it totaled \$4.5 billion, and was significant in a number of counties. Over 20% of assessments in 14 counties were classified as vacant land. Costilla County recorded the highest percentage share, with over 69% of its total assessments falling under the vacant land class. Park County was next at 37%, followed by San Juan, Ouray and Hinsdale counties, each with 31% listed under this category. [Table 9](#) shows vacant land changes between 2005 and 2006.

State assessed property declined by \$51 million in 2006, totaling over \$4 billion. State assessed property includes public utilities, pipelines, transmission lines, power producers, rail transportation, and airlines. In 10 counties state assessed properties accounted for over 20% of total assessments. Baca County had the largest share at 41%, followed by Moffat County’s 39% and Morgan County’s 38%. State assessed property represented less than 5% of county totals in 23 counties. [Table 10](#) shows changes in state assessed property.

Total assessed value rose in all but six Colorado counties in 2006. The largest gains were recorded in counties with large oil and gas assessments such as Garfield, up \$785 million, Weld, up \$575 million, and La Plata, up \$516 million. Increases in oil and gas values were responsible for the gains in those three counties. The declining value of vacant land led to an overall drop of over \$12 million in Summit County. Denver reported the highest overall assessed value at more than \$9 billion, followed by Arapahoe County’s \$6.9

billion, and Jefferson County's \$6.7 billion. [Table 11](#) shows total assessed valuation changes by county.

Personal property is a component of some property classes and is often referred to as business personal property. Personal property assessments totaled \$8.8 billion in 2006. Business personal property includes machinery, equipment, computers, and furniture. For state assessed property, business personal property includes equipment for public utilities, railroads, and telecommunications. State assessed personal property amounted to \$3.7 billion. Over 90% of state assessed property was classified as personal property. Locally assessed personal property exceeded \$5 billion. As a percentage of total assessed valuation, personal property accounted for nearly 12% of assessments. There were large differences among counties in the share of personal property to total assessments. Personal property accounted for 43% of total assessments in Morgan County and 41% in Baca County. Personal property exceeded 20% in 14 counties. Conversely, personal property represented only about 3% for Pitkin and Hinsdale counties. State assessed and locally assessed personal property ranked by the percentage share of total assessments is shown in [Table 12](#).

## **COLORADO PROPERTY TAX CHANGES, 2005 AND 2006**

Property tax revenue to Colorado's local governments increased by \$309 million, from \$5.16 billion in tax year 2005 to \$5.47 billion in tax year 2006. Tax year levies are collected the following year. Thus, tax year 2006 levies will be collected in 2007. Over half of the property tax revenue (\$2.8 billion) was allocated to the state's 178 public school districts. Municipal and county governments received nearly \$1.7 billion in revenue and special and other districts levied \$950 million in property taxes. [Table 13](#) shows property tax revenue changes between 2005 and 2006 for the major governmental units and their percentage share of total receipts.

Colorado's 64 county governments received \$1.38 billion in property tax revenue, a gain of nearly \$79 million. The city and county of Denver reports its combined revenues as a county, for reporting purposes. Among counties, Denver reported the highest overall property tax revenue -- \$235 million, Jefferson County reported receipts of \$163 million from property taxes. Three other metro Denver counties, Adams, Arapahoe and Boulder, each collected between \$111 million and \$115 million. Garfield County recorded the largest dollar increase, up about \$11 million. Garfield County also experienced the largest dollar gain in oil and gas assessed values in 2006.

In percentage terms, Hinsdale County reported the biggest property tax revenue gain, with an 85% increase. This was due to a large mill levy increase for general government purposes. A number of other counties recorded large increases in county revenue. Garfield was up 44%; Las Animas up 36%; and Rio Blanco up 32%. Each one of these counties experienced large gains in oil and gas assessments. Four counties had declines in county government receipts. [Table 14](#) shows changes in property tax revenue for county governments in 2006.

Property tax revenue to Colorado's cities and towns rose by \$15 million and totaled nearly \$288 million. This 5.6% increase was slightly less than the overall 6% gain in property tax receipts. All but five counties reported increases in their municipal property tax revenue. San Miguel had the largest dollar and percentage increase, up \$2.6 million and 108%. Mountain Village's revenue jumped nearly four times. The share of property taxes going to both counties and municipalities has remained fairly constant during the past two decades, rising slightly from 29% in 1987 to about 31% in 2006. [Table 15](#) shows property tax revenue changes to cities and towns.

School districts reported the smallest percentage increase in collections among the governmental units, with a 3.9% gain. Still, property tax revenue for K-12 public schools rose by nearly \$106 million and totaled about \$2.8 billion. State statutes govern school districts' ability to levy property taxes as the equalization program seeks to increase state aid to districts with low assessed valuations. Districts are allowed to seek voter approval for overrides to increase local taxes. School districts in six counties had double-digit gains. This was led by 27% increase in revenues to districts located in Garfield County. Districts in 22 counties reported declines in property tax receipts. The share of property taxes going to schools, including the small total for junior colleges, has been declining over the past two decades. In 1987, property taxes for schools accounted for 61% of the total. By 1997, that share dropped to 57% and stood at 52% in 2006. [Table 16](#) shows property tax revenue to K-12 public school districts in 2006.

Colorado has two local junior college districts that collect property taxes. Most of the \$61 million levied for junior colleges was allocated to these districts -- Aims Community College in Greeley, and Colorado Mountain College, which has a number of sites in the Western Slope. [Table 17](#) shows property tax revenue for junior colleges.

Special and other districts levied \$950 million in property tax revenue in 2006, an increase of \$102 million or 12%. Special districts include water, sanitation, metropolitan, fire, and improvement districts and is the unit of government that continues to increase in numbers each year. Special district dollar gains nearly match those of school districts, even though school districts collect about three times the total of special districts. Only four counties had an overall decrease in special district revenue. Special districts in Adams, Denver and Jefferson recorded the largest dollar gains. Special districts in Rio Blanco (56%), Garfield (44%) and Moffat (41%) counties had the largest percentage gains. Special districts have seen their share of total receipts jump from 10% in 1987 to over 17% in 2006. Revenues from property taxes to special and other districts are shown in [Table 18](#).

All but six counties reported property tax increases for their combined local governments. Local governments in three metro counties collected nearly the same total with Denver at \$634.8 million, Jefferson at \$634.6 million and Arapahoe at \$633.3 million. Fast-growing Adams and Weld counties recorded the largest dollar gain, up \$41 million and \$30 million, respectively. Garfield County's 36% and Rio Blanco County's 33% total increases were the largest percentage gains among the counties. [Table 19](#) shows total property tax revenue changes by county for 2005 and 2006.

The final table, Table 20, ranks counties by the average mill levy in each county. It is calculated by dividing the total property tax revenue (of all the governmental units) by the total assessed value in each county. This calculation is not intended to represent an individual property mill levy but to show the large disparity among counties in property tax levies. The inclusion of a property in a special district with a large mill levy can easily distort these county averages. Nevertheless, this table can point out regional patterns and greater or lesser dependency upon property tax revenue. The statewide average mill levy was 73.48 mills. With the exception of Pueblo County, the six counties with the largest average mill levies were located in the metro Denver area. Douglas County reported the largest at 101.495 mills, followed by Adams with 101.351. Broomfield, Jefferson and Arapahoe counties had average mill levies over 92 mills. Boulder County was at 75.87. On the other hand, Denver's average levy of 70.268 was the smallest among the metro counties. The relatively large mill levies by the populous counties serves to bring up the statewide average. The midpoint among the counties would be slightly less than 63 mills.

The three counties with the smallest average mill levies each had oil and gas values that exceeded 66% of total assessments. Las Animas County had the smallest average levy at 21.1 mills, followed by La Plata County, 27.491, and Rio Blanco County at 36.465. While Pitkin County reported the fourth lowest average mill levy at 39.096, it was as dependent on residential property as the other three were on oil and gas. Pitkin's extraordinary high residential property values were responsible for its relatively low mill levies. The table also shows average K-12 school district levies. They ranged from 53 mills in Adams County to the 7.3 mill average for Las Animas and Rio Blanco counties. The statewide average mill levy for public schools was 37.46. [Table 20](#) ranks counties by the average mill levy for total government units.

**Table 1 Assessed Valuation Changes by Property Class, 2005 and 2006**

|                   | 2005           | 2006           | Change        | % Change | Percentage Share |        |
|-------------------|----------------|----------------|---------------|----------|------------------|--------|
|                   |                |                |               |          | 2005             | 2006   |
| Residential       | 33,110,601,388 | 34,350,208,817 | 1,239,607,429 | 3.7%     | 46.9%            | 46.1%  |
| Commercial        | 19,677,190,685 | 20,136,541,539 | 459,350,854   | 2.3%     | 27.9%            | 27.0%  |
| Industrial        | 2,770,038,500  | 2,806,720,882  | 36,682,382    | 1.3%     | 3.9%             | 3.8%   |
| Agricultural      | 812,997,051    | 818,954,664    | 5,957,613     | 0.7%     | 1.2%             | 1.1%   |
| Natural Resources | 310,391,977    | 344,756,805    | 34,364,828    | 11.1%    | 0.4%             | 0.5%   |
| Producing Mines   | 101,638,915    | 173,283,511    | 71,644,596    | 70.5%    | 0.1%             | 0.2%   |
| Oil and Gas       | 5,055,329,724  | 7,329,404,530  | 2,274,074,806 | 45.0%    | 7.2%             | 9.8%   |
| Vacant Land       | 4,689,028,672  | 4,542,512,481  | (146,516,191) | -3.1%    | 6.6%             | 6.1%   |
| State Assessed    | 4,098,386,987  | 4,047,066,146  | (51,320,841)  | -1.3%    | 5.8%             | 5.4%   |
| Total             | 70,625,603,899 | 74,549,449,375 | 3,923,845,476 | 5.6%     | 100.0%           | 100.0% |

SOURCE: Colorado Division of Property Taxation, 2006 - Thirty-Sixth Annual Report, June 2007; abstract data

**Table 2 Residential Assessed Value, 2005 and 2006**

|             | 2005           | 2006           | Change        | % Change | Share of Total County AV |       |
|-------------|----------------|----------------|---------------|----------|--------------------------|-------|
|             |                |                |               |          | 2005                     | 2006  |
| Adams       | 2,005,601,680  | 2,090,024,670  | 84,422,990    | 4.2%     | 48.7%                    | 49.2% |
| Alamosa     | 35,231,910     | 36,344,730     | 1,112,820     | 3.2%     | 31.1%                    | 31.5% |
| Arapahoe    | 3,694,072,400  | 3,793,975,220  | 99,902,820    | 2.7%     | 54.4%                    | 54.8% |
| Archuleta   | 98,480,117     | 104,152,898    | 5,672,781     | 5.8%     | 41.8%                    | 42.1% |
| Baca        | 5,598,642      | 5,687,299      | 88,657        | 1.6%     | 9.0%                     | 8.5%  |
| Bent        | 7,553,121      | 7,668,929      | 115,808       | 1.5%     | 14.2%                    | 14.3% |
| Boulder     | 2,698,184,160  | 2,751,583,576  | 53,399,416    | 2.0%     | 54.2%                    | 54.7% |
| Broomfield  | 330,235,820    | 351,866,104    | 21,630,284    | 6.5%     | 36.8%                    | 38.2% |
| Chaffee     | 129,796,220    | 133,440,710    | 3,644,490     | 2.8%     | 44.8%                    | 45.2% |
| Cheyenne    | 3,303,665      | 3,304,477      | 812           | 0.0%     | 2.8%                     | 2.4%  |
| Clear Creek | 90,679,980     | 91,953,600     | 1,273,620     | 1.4%     | 44.4%                    | 36.8% |
| Conejos     | 20,328,090     | 21,033,614     | 705,524       | 3.5%     | 45.4%                    | 46.6% |
| Costilla    | 6,756,321      | 7,560,097      | 803,776       | 11.9%    | 9.5%                     | 10.4% |
| Crowley     | 5,551,265      | 5,553,760      | 2,495         | 0.0%     | 17.1%                    | 16.8% |
| Custer      | 37,351,060     | 39,425,340     | 2,074,280     | 5.6%     | 49.8%                    | 50.8% |
| Delta       | 110,605,380    | 114,770,960    | 4,165,580     | 3.8%     | 47.7%                    | 45.9% |
| Denver      | 3,840,437,420  | 3,930,201,030  | 89,763,610    | 2.3%     | 43.1%                    | 43.4% |
| Dolores     | 7,064,218      | 7,514,545      | 450,327       | 6.4%     | 20.6%                    | 18.1% |
| Douglas     | 2,238,651,880  | 2,390,842,970  | 152,191,090   | 6.8%     | 57.8%                    | 58.7% |
| Eagle       | 1,350,698,090  | 1,405,984,100  | 55,286,010    | 4.1%     | 61.3%                    | 61.5% |
| Elbert      | 161,104,750    | 169,680,590    | 8,575,840     | 5.3%     | 66.1%                    | 66.5% |
| El Paso     | 2,882,040,080  | 3,025,409,240  | 143,369,160   | 5.0%     | 52.1%                    | 53.1% |
| Fremont     | 151,213,967    | 157,157,551    | 5,943,584     | 3.9%     | 41.3%                    | 42.1% |
| Garfield    | 340,387,010    | 361,578,510    | 21,191,500    | 6.2%     | 19.2%                    | 14.1% |
| Gilpin      | 51,769,660     | 52,884,610     | 1,114,950     | 2.2%     | 17.2%                    | 16.8% |
| Grand       | 279,210,330    | 298,129,900    | 18,919,570    | 6.8%     | 48.8%                    | 48.8% |
| Gunnison    | 196,290,790    | 205,906,440    | 9,615,650     | 4.9%     | 40.2%                    | 40.4% |
| Hinsdale    | 15,999,740     | 16,918,350     | 918,610       | 5.7%     | 39.3%                    | 39.5% |
| Huerfano    | 28,479,594     | 29,339,686     | 860,092       | 3.0%     | 28.5%                    | 30.8% |
| Jackson     | 8,042,420      | 8,267,330      | 224,910       | 2.8%     | 27.4%                    | 28.1% |
| Jefferson   | 3,940,744,430  | 3,995,315,490  | 54,571,060    | 1.4%     | 59.1%                    | 59.5% |
| Kiowa       | 1,821,350      | 1,825,690      | 4,340         | 0.2%     | 6.0%                     | 5.5%  |
| Kit Carson  | 18,938,198     | 19,175,487     | 237,289       | 1.3%     | 19.1%                    | 19.1% |
| Lake        | 36,584,178     | 37,466,827     | 882,649       | 2.4%     | 43.1%                    | 44.1% |
| La Plata    | 408,548,180    | 436,296,680    | 27,748,500    | 6.8%     | 16.4%                    | 14.5% |
| Larimer     | 1,914,831,240  | 1,998,483,390  | 83,652,150    | 4.4%     | 55.3%                    | 55.7% |
| Las Animas  | 45,325,150     | 46,354,650     | 1,029,500     | 2.3%     | 9.4%                     | 7.1%  |
| Lincoln     | 10,709,322     | 10,931,569     | 222,247       | 2.1%     | 16.2%                    | 15.8% |
| Logan       | 53,078,810     | 53,706,850     | 628,040       | 1.2%     | 30.7%                    | 28.2% |
| Mesa        | 618,901,530    | 645,904,400    | 27,002,870    | 4.4%     | 49.1%                    | 48.6% |
| Mineral     | 11,247,360     | 11,702,660     | 455,300       | 4.0%     | 47.0%                    | 47.4% |
| Moffat      | 40,107,200     | 41,636,970     | 1,529,770     | 3.8%     | 10.3%                    | 10.0% |
| Montezuma   | 86,363,130     | 92,941,100     | 6,577,970     | 7.6%     | 28.7%                    | 25.3% |
| Montrose    | 166,464,760    | 178,371,580    | 11,906,820    | 7.2%     | 41.9%                    | 41.4% |
| Morgan      | 78,980,970     | 81,405,730     | 2,424,760     | 3.1%     | 21.0%                    | 22.2% |
| Otero       | 40,186,100     | 40,571,915     | 385,815       | 1.0%     | 36.8%                    | 36.4% |
| Ouray       | 57,064,910     | 60,899,290     | 3,834,380     | 6.7%     | 40.7%                    | 42.1% |
| Park        | 177,053,280    | 184,205,770    | 7,152,490     | 4.0%     | 50.1%                    | 51.5% |
| Phillips    | 12,326,630     | 12,496,680     | 170,050       | 1.4%     | 28.2%                    | 26.6% |
| Pitkin      | 1,230,529,310  | 1,275,051,130  | 44,521,820    | 3.6%     | 65.2%                    | 65.9% |
| Prowers     | 22,996,060     | 23,150,380     | 154,320       | 0.7%     | 18.1%                    | 18.6% |
| Pueblo      | 517,531,560    | 540,571,040    | 23,039,480    | 4.5%     | 49.3%                    | 49.8% |
| Rio Blanco  | 23,307,270     | 23,931,720     | 624,450       | 2.7%     | 5.4%                     | 4.1%  |
| Rio Grande  | 47,107,850     | 49,686,450     | 2,578,600     | 5.5%     | 34.9%                    | 35.8% |
| Routt       | 369,801,360    | 390,834,840    | 21,033,480    | 5.7%     | 46.8%                    | 48.1% |
| Saguache    | 13,120,608     | 13,894,569     | 773,961       | 5.9%     | 26.5%                    | 27.8% |
| San Juan    | 9,507,310      | 9,890,950      | 383,640       | 4.0%     | 23.4%                    | 24.4% |
| San Miguel  | 324,624,810    | 340,635,740    | 16,010,930    | 4.9%     | 43.7%                    | 43.6% |
| Sedgwick    | 4,795,220      | 4,831,720      | 36,500        | 0.8%     | 15.3%                    | 15.0% |
| Summit      | 750,537,041    | 775,173,872    | 24,636,831    | 3.3%     | 58.4%                    | 60.8% |
| Teller      | 161,499,690    | 167,527,250    | 6,027,560     | 3.7%     | 41.7%                    | 42.3% |
| Washington  | 9,842,131      | 10,100,442     | 258,311       | 2.6%     | 9.7%                     | 9.0%  |
| Weld        | 1,051,660,420  | 1,133,000,390  | 81,339,970    | 7.7%     | 29.1%                    | 27.1% |
| Yuma        | 23,744,240     | 24,074,760     | 330,520       | 1.4%     | 11.1%                    | 9.0%  |
| State       | 33,110,601,388 | 34,350,208,817 | 1,239,607,429 | 3.7%     | 46.9%                    | 46.1% |

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