



CENTER FOR TAX POLICY

# TAXPAYER REPORT

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## ASSESSED VALUATION AND PROPERTY TAX CHANGES, 2002 and 2003

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### Introduction

In a continuation of last year's growth experience, property values as well as assessed valuations continued to increase only modestly in 2003. Unlike 2001's double digit increases in valuations, both actual and assessed, and in property tax receipts, 2003's growth rates, although still positive, were more consistent with those of 2002 and represent some of the lowest seen in the last decade. Based upon data obtained from the Division of Property Taxation<sup>1</sup>, property tax revenue increased by 5.06% between 2002 and 2003 while assessed valuations increased by only a modest 2.29%.

This annual Center for Tax Policy publication compiles data from the Division of Property Taxation's thirty-third annual report released in the spring of 2004. Local county assessors reassess Colorado's real and personal property every two years. Additionally, the residential assessment rates are adjusted as required by the Gallagher Amendment, passed in 1982. Under the Gallagher requirement that residential property represent approximately 45% of all state-wide valuations, the residential assessment rate is readjusted as needed to comply with the requirement. For tax year 2003-2004, the residential rate was adjusted to a new low of 7.96%. This represents a 1.19 percentage point decrease from its previous low of 9.15 and the largest downward revision in the residential rate since the change from 1992 to 1993. Non-residential assessment rates are set constitutionally at a rate of 29%.

### Review of State's Assessed and Actual Valuations

Table A shows the assessed and actual values for all Colorado property over the period 1993-2003. Between 1993 and 2003, assessed valuations more than doubled, experiencing a growth rate of 114.95%, an acceleration in the 10 year growth rate from the 2002 edition of this report. Between 1992 and 2002, the growth rate for the decade was 112.58%. Over the same time period, actual valuations of all property in the state increased by an even greater 208.55%, also an increase from the previous growth rate of 193.41%. As noted in earlier editions of this report, the mechanism of the Gallagher Amendment requires that the ratio of residential to non-residential remain at approximately 45% to 55%. This Constitutional requirement ensures that as the percentage of the state's property classified as residential increases in times of increasing residential property values, the divergence between total assessed and actual values will increase as well. Colorado's experience in 2003 is consistent with this trend. As it has for many years, the Gallagher Amendment has resulted in a continued divergence between total actual and assessed values for the state's property.

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<sup>1</sup> Data for this report was gathered from the Colorado Division of Property Taxation's 33<sup>rd</sup> Annual Report.

SUMMARY TABLE A						
COLORADO ASSESSED AND ACTUAL VALUE, PROPERTY TAX PERCENTAGE CHANGES 1993 TO 2003						
(In Thousands)						
Tax Year	Assessed Valuation (of Taxable Property)	Actual Valuation	Residential Percentage	Total Property Tax Receipts	K-12 School Property Tax Receipts	All Other Property Tax Receipts
1993	\$ 28,820,035	\$ 155,096,762	67.05%	\$ 2,421,892	\$ 1,372,244	\$ 1,049,648
1994	\$ 29,831,047	\$ 160,946,795	67.50%	\$ 2,512,514	\$ 1,427,720	\$ 1,084,794
1995	\$ 32,469,923	\$ 203,663,213	71.83%	\$ 2,668,245	\$ 1,502,911	\$ 1,165,334
1996	\$ 33,606,776	\$ 211,793,476	71.96%	\$ 2,784,767	\$ 1,570,704	\$ 1,214,063
1997	\$ 38,536,665	\$ 250,804,290	72.35%	\$ 3,032,963	\$ 1,701,540	\$ 1,331,423
1998	\$ 40,165,596	\$ 261,127,928	72.55%	\$ 3,194,557	\$ 1,802,695	\$ 1,391,862
1999	\$ 46,711,921	\$ 306,002,932	72.58%	\$ 3,490,900	\$ 1,947,044	\$ 1,543,856
2000	\$ 48,757,383	\$ 320,312,969	72.85%	\$ 3,686,192	\$ 2,040,071	\$ 1,646,121
2001	\$ 58,812,664	\$ 404,716,127	74.80%	\$ 4,115,122	\$ 2,221,904	\$ 1,893,218
2002	\$ 60,564,941	\$ 419,294,563	77.48%	\$ 4,374,012	\$ 2,339,415	\$ 2,034,597
2003	\$ 61,949,196	\$ 478,546,479	77.51%	\$ 4,595,136	\$ 2,430,587	\$ 2,164,549
Annual Percentage Change						
1994	3.51%	3.77%		3.74%	4.04%	3.35%
1995	8.85%	26.54%		6.20%	5.27%	7.42%
1996	3.50%	3.99%		4.37%	4.51%	4.18%
1997	14.67%	18.42%		8.91%	8.33%	9.67%
1998	4.23%	4.12%		5.33%	5.94%	4.54%
1999	16.30%	17.19%		9.28%	8.01%	10.92%
2000	4.38%	4.68%		5.59%	4.78%	6.62%
2001	20.62%	26.35%		11.64%	8.91%	15.01%
2002	2.98%	3.60%		6.29%	5.29%	7.47%
2003	2.29%	14.13%		5.06%	3.90%	6.39%
1993-1998	39.37%	68.36%		31.90%	31.37%	32.60%
1999-2003	32.62%	56.39%		31.63%	24.83%	40.20%
1993-2003	114.95%	208.55%		89.73%	77.12%	106.22%

### Residential Assessed Values: A Closer Look

As outlined above, the statewide ratio of assessed valuation between residential and non-residential is constitutionally set by the Gallagher Amendment at a target of approximately 45% residential to 55% non-residential. However, as required by Gallagher, this ratio is applied to total state-wide assessed valuations, not to county by county values. On a county by county basis, experience with residential and non-residential assessed valuations varies widely. Consistent with prior years, Cheyenne County continues to experience the smallest percentage of assessed valuation coming from residential. In 2003, only 3.31% of total valuations from Cheyenne County were from residential property. Cheyenne is followed closely by Rio Blanco, Kiowa, Costilla, and Baca Counties, all with residential assessed valuations accounting for less than 10% of total valuations. At the high end of the spectrum for the state is once again Elbert County with residential representing 67.38%, essentially unchanged from 2002. Overall, as expected, the state residential percentage approximates the target percentage

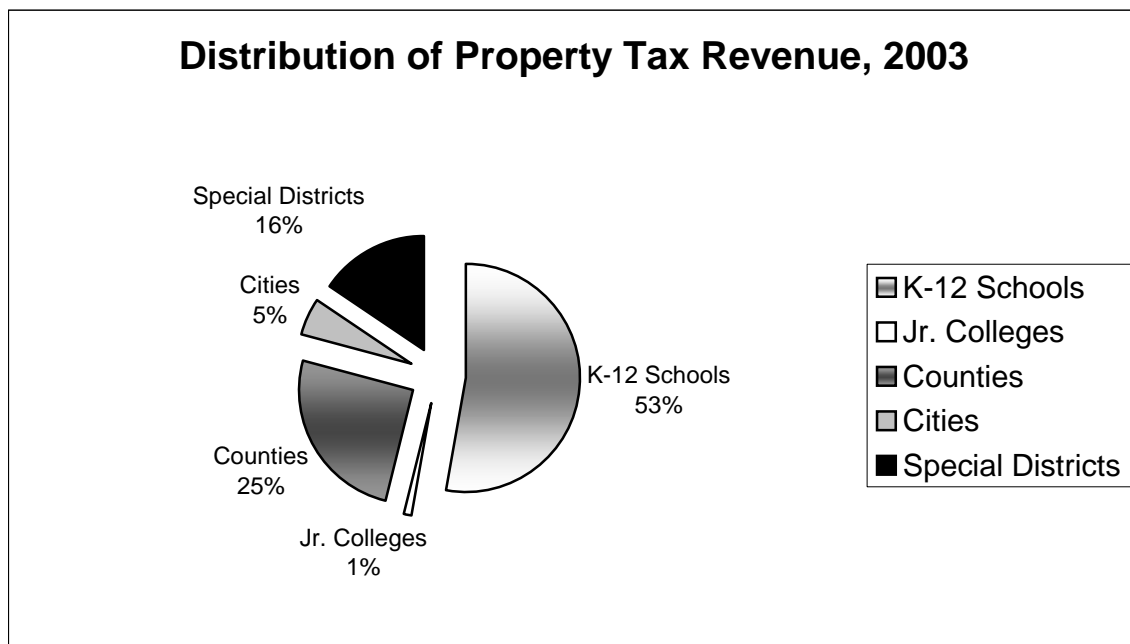
with 47.66% of all valuations deriving from residential. San Miguel and Adams are the counties in the state that most closely mirror the state split between residential and non-residential property with residential rates of 47.45% and 47.94%, respectively. This county by county disparity in residential and thus non-residential assessed valuations, coupled with the mechanisms of the Gallagher Amendment, is one of the variables impacting the level of property tax revenues collected by each county and school and special districts. County by county data for all classes of property is presented in Table 2.

SUMMARY TABLE B									
PROPERTY TAX REVENUE TO COLORADO LOCAL GOVERNMENTS - 1993 to 2003									
Tax Year	K-12 Schools	Jr. Colleges	Counties (Incl. C/C Denver, Broomfield from 2002 on)	Cities	City and County of Denver	City and County of Broomfield	Special Districts	Total	Total Per Capita
1993	\$ 1,372,244,829	\$ 24,321,147	\$ 482,184,914	\$ 116,500,449	\$ 139,744,262		\$ 286,896,539	\$ 2,282,147,878	\$ 680
1994	\$ 1,427,720,644	\$ 25,745,652	\$ 500,871,516	\$ 119,910,714	\$ 139,771,826		\$ 298,484,785	\$ 2,372,733,311	\$ 687
1995	\$ 1,502,911,790	\$ 27,558,452	\$ 536,369,179	\$ 129,604,653	\$ 142,959,579		\$ 328,841,592	\$ 2,525,285,666	\$ 713
1996	\$ 1,570,704,820	\$ 27,080,431	\$ 560,248,408	\$ 135,273,393	\$ 146,645,096		\$ 344,815,185	\$ 2,638,122,237	\$ 730
1997	\$ 1,701,540,305	\$ 31,347,691	\$ 606,895,454	\$ 151,862,139	\$ 156,300,895		\$ 385,009,409	\$ 2,876,654,998	\$ 779
1998	\$ 1,802,695,143	\$ 30,393,831	\$ 636,597,698	\$ 156,867,917	\$ 156,924,819		\$ 411,592,400	\$ 3,038,146,989	\$ 821
1999	\$ 1,947,044,020	\$ 31,411,052	\$ 698,617,836	\$ 179,396,810	\$ 157,633,114		\$ 476,797,783	\$ 3,333,267,501	\$ 866
2000	\$ 2,040,071,477	\$ 32,010,299	\$ 900,428,826	\$ 181,362,333	\$ 162,471,206		\$ 525,301,370	\$ 3,679,174,305	\$ 876
2001	\$ 2,221,904,350	\$ 40,315,492	\$ 1,009,972,155	\$ 227,632,656	\$ 167,077,247	\$ 21,634,608	\$ 615,297,504	\$ 4,115,122,157	\$ 957
2002	\$ 2,339,415,193	\$ 41,580,428	\$ 1,086,851,608	\$ 236,963,114	\$ 180,413,561	\$ 23,909,228	\$ 669,201,161	\$ 4,374,011,504	\$ 969
2003	\$ 2,430,586,737	\$ 41,319,655	\$ 1,163,409,518	\$ 246,490,625	\$ 213,137,632	\$ 15,717,327	\$ 713,329,575	\$ 4,595,136,110	\$ 1,010
Annual Percentage Change									
1994	4.04%	5.86%	3.88%	2.93%	0.02%		4.04%	3.97%	1.03%
1995	5.27%	7.04%	7.09%	8.08%	2.28%		10.17%	6.43%	3.78%
1996	4.51%	-1.73%	4.45%	4.37%	2.58%		4.86%	4.47%	2.38%
1997	8.33%	15.76%	8.33%	12.26%	6.58%		11.66%	9.04%	6.71%
1998	5.94%	-3.04%	4.89%	3.30%	0.40%		6.90%	5.61%	5.39%
1999	8.01%	3.35%	9.74%	14.36%	0.45%		15.84%	9.71%	5.48%
2000	4.78%	1.91%	28.89%	1.10%	3.07%		10.17%	10.38%	1.19%
2001	8.91%	25.95%	12.17%	25.51%	2.83%		17.13%	11.85%	9.17%
2002	5.29%	3.14%	7.61%	4.10%	7.98%	10.51%	8.76%	6.29%	1.32%
2003	3.90%	-0.63%	7.04%	4.02%	18.14%	-34.26%	6.59%	5.06%	4.17%

### Breakdown of Local Government's Distribution of Revenue

Table B summarizes the distribution of property tax revenue received by different governmental units at the local level. Over the last decade (1993-2003), the 10-year growth rate in local government property tax revenue collections was 101.35%. This growth rate continues a trend of increasing 10-year growth rates. The previous 10-year growth rate was 93% for the decade ending in 2002. Consistent with prior years, the largest portion of locally received property tax revenue supports K-12 education. In tax year 2003, just under 53% of total property tax revenues, or \$2.43 billion of the \$4.595 billion collected, went to Colorado's school districts. This is a slight decline from last year in the total share of local property tax revenues dedicated to supporting K-12 schools. Consistent with the trend in the state, the recipient of the smallest portion of local property tax is the state's junior colleges. In 2003, the junior college system received about \$41.3 million in property tax revenues, a decline from the \$41.5 million received in 2002.

In 2003, Colorado's counties experienced the largest growth rate in property tax revenue with a growth rate of 7.04%. Junior colleges were the only recipients of local property tax to experience a decrease, not only in the rate of growth but also in total revenues. Overall, property tax revenues grew at a rate of 5.06%, a slight decline from 2002 and a continuing return to the more modest growth rates experienced in the mid 1990s. On a per capita basis, the growth rate of 4.17% was significantly higher than in 2002, probably reflecting as much a slowdown in population growth as an increase in taxes. In 2003, each citizen in Colorado shouldered a property tax burden of \$1,010. However, as per a Division of Property Taxation calculation, residential taxpayers experienced savings of just over \$1.05 billion in 2002 and of an estimated \$7.86 billion since 1987<sup>2</sup> due to the shift in property tax burden from residential to non-residential resulting from the Gallagher Amendment. Pie Chart 1 shows the distribution of local property tax revenues to the various units of local government in Colorado.



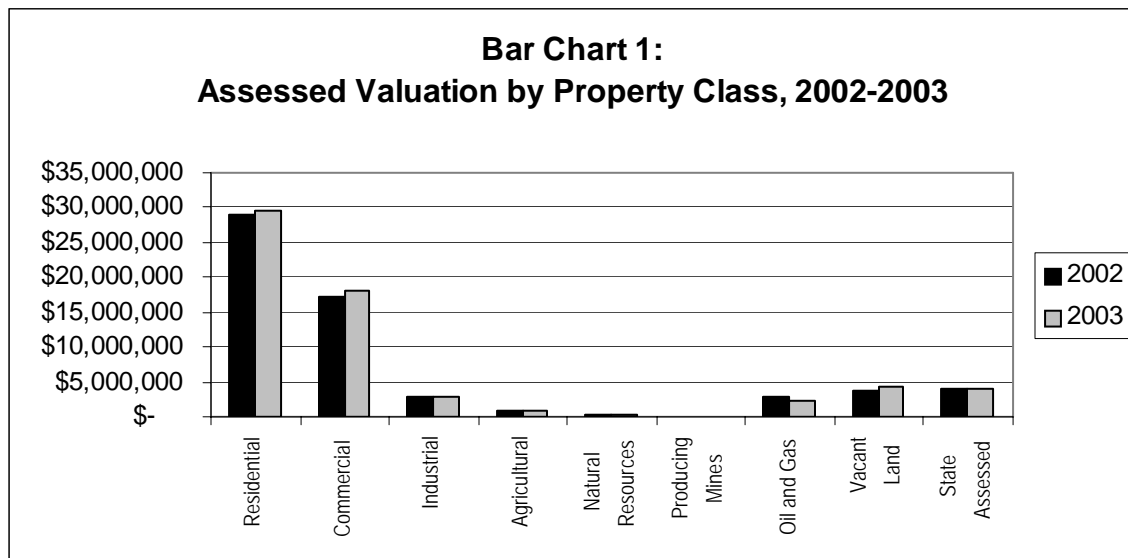
### Property Class Changes

Table 1 shows the total assessed valuations for the nine different property classes for the years 2002 and 2003. Bar Chart 1 demonstrates that residential property continues to have the highest total assessed value of the nine property classes as classified by the state. Consistent with prior years, the second highest values are in commercial property. And, reversing the trend begun in 2000, residential values once again grew at a lesser rate than commercial values. For the years between 2000 and 2003, residential values grew more rapidly than commercial ones. In 2003, producing mines experienced the largest rate of growth, however, the small base off of which they grow can make such measures misleading. In this year's summary, agricultural and oil and gas properties experienced negative rates of valuation growth. Once again, this year's report includes exempt property in Table 1. In Colorado, tax exempt property now accounts for 16% of total valuations, up a percentage point from last year. This is the third highest property class percentage in the state (behind residential and commercial property). Overall, the growth rate in assessed valuations of 3.40% was slightly lower than 2002's growth rate of 4.29%.

<sup>2</sup> 1987 was chosen as the beginning point for this calculation because the residential assessment rate remained at 21% from the passage of Gallagher until 1987. As noted earlier, the residential assessment rate is currently 7.96%.

<b>TABLE 1</b>						
<b>COLORADO ASSESSED VALUATION BY PROPERTY CLASS 2002 AND 2003</b>						
<b>(In Thousands of Dollars)</b>						
<b>Class</b>	<b>2002</b>	<b>2003</b>	<b>Dollar Change</b>	<b>Percent Change</b>	<b>% of Total 2002</b>	<b>% of Total 2003</b>
Residential	\$ 28,888,969	\$ 29,523,577	\$ 634,608	2.20%	40%	40%
Commercial	\$ 17,282,636	\$ 18,073,677	\$ 791,041	4.58%	24%	24%
Industrial	\$ 2,752,081	\$ 2,781,599	\$ 29,518	1.07%	4%	4%
Agricultural	\$ 812,991	\$ 794,595	\$ (18,396)	-2.26%	1%	1%
Natural Resources	\$ 272,255	\$ 279,994	\$ 7,739	2.84%	0%	0%
Producing Mines	\$ 64,779	\$ 82,606	\$ 17,827	27.52%	0%	0%
Oil and Gas	\$ 2,798,698	\$ 2,199,413	\$ (599,285)	-21.41%	4%	3%
Vacant Land	\$ 3,807,155	\$ 4,308,595	\$ 501,440	13.17%	5%	6%
State Assessed	\$ 3,885,377	\$ 3,905,144	\$ 19,767	0.51%	5%	5%
<b>Total Taxable Property</b>	<b>\$ 60,564,941</b>	<b>\$ 61,949,200</b>	<b>\$ 1,384,259</b>	<b>2.29%</b>	<b>85%</b>	<b>84%</b>
Exempt Property	\$ 10,868,691	\$ 11,911,186	\$ 1,042,495	9.59%	15%	16%
<b>TOTAL ASSESSED VALUATION</b>	<b>\$ 71,433,632</b>	<b>\$ 73,860,386</b>	<b>\$ 2,426,754</b>	<b>3.40%</b>	<b>100%</b>	<b>100%</b>

Bar Chart 1 below summarizes the 2002-2003 assessed valuations for the state.



### County by County Reviews

Table 2 shows the county by county data for the state. Of the 64 counties in Colorado, 14 exceeded \$1 billion in total assessed value. In 2002, no new counties joined the list of counties with assessed valuations in excess of \$1 billion. However, in 2003, Mesa County jumped over Pueblo and became the 14<sup>th</sup> county to join the billion dollar club. Pueblo County continues to come close with total assessed valuation of \$961, albeit a slight decrease from that county's valuation in 2002. Mineral County continues to have the smallest property base with 2003 assessed valuation of just under \$22 million, a decrease from 2002. In total, 22

counties saw their total property base decrease in valuation in 2003. Table 6 below presents the counties sorted by rate of growth in 2003.

**Table 6: Total Assessed Valuation Sorted by Rate of Growth**  
(Thousands of Dollars)

<i>Counties with Positive Rate of Growth</i>				<i>Counties with Negative Rate of Growth</i>			
County	2002	2003	% Change	County	2002	2003	% Change
Fremont	\$ 297,415.00	\$ 357,347.00	20.15%	Otero	\$ 105,048.00	\$ 104,586.00	-0.44%
Archuleta	\$ 181,921.00	\$ 215,808.00	18.63%	Montezuma	\$ 249,119.00	\$ 247,583.00	-0.62%
Crowley	\$ 24,334.00	\$ 28,431.00	16.84%	Bent	\$ 51,852.00	\$ 51,213.00	-1.23%
San Juan	\$ 24,889.00	\$ 28,563.00	14.76%	Pitkin	\$ 1,804,588.00	\$ 1,776,090.00	-1.58%
Lincoln	\$ 53,981.00	\$ 61,492.00	13.91%	Costilla	\$ 66,153.00	\$ 65,082.00	-1.62%
San Miguel	\$ 474,838.00	\$ 531,224.00	11.87%	Prowers	\$ 94,193.00	\$ 92,534.00	-1.76%
Conejos	\$ 39,502.00	\$ 43,601.00	10.38%	Arapahoe	\$ 6,724,835.00	\$ 6,586,625.00	-2.06%
Jackson	\$ 24,423.00	\$ 26,921.00	10.23%	Baca	\$ 59,351.00	\$ 57,880.00	-2.48%
Clear Creek	\$ 175,448.00	\$ 193,254.00	10.15%	El Paso	\$ 5,032,055.00	\$ 4,905,452.00	-2.52%
Delta	\$ 189,208.00	\$ 208,349.00	10.12%	Washington	\$ 77,852.00	\$ 75,889.00	-2.52%
Saguache	\$ 43,627.00	\$ 47,917.00	9.83%	Eagle	\$ 2,043,005.00	\$ 1,989,427.00	-2.62%
Chaffee	\$ 235,875.00	\$ 258,075.00	9.41%	Lake	\$ 79,693.00	\$ 77,471.00	-2.79%
Broomfield	\$ 823,280.00	\$ 899,361.00	9.24%	Mineral	\$ 22,200.00	\$ 21,494.00	-3.18%
Teller	\$ 321,846.00	\$ 349,233.00	8.51%	Pueblo	\$ 992,998.00	\$ 961,000.00	-3.22%
Las Animas	\$ 250,142.00	\$ 270,347.00	8.08%	Phillips	\$ 44,244.00	\$ 42,341.00	-4.30%
Adams	\$ 3,343,701.00	\$ 3,609,794.00	7.96%	Dolores	\$ 33,725.00	\$ 32,157.00	-4.65%
Custer	\$ 61,858.00	\$ 66,759.00	7.92%	Cheyenne	\$ 101,389.00	\$ 94,935.00	-6.37%
Douglas	\$ 3,043,733.00	\$ 3,274,117.00	7.57%	Moffat	\$ 321,016.00	\$ 296,124.00	-7.75%
Morgan	\$ 338,117.00	\$ 360,862.00	6.73%	Kiowa	\$ 30,698.00	\$ 27,595.00	-10.11%
Park	\$ 292,857.00	\$ 311,502.00	6.37%	Yuma	\$ 173,277.00	\$ 155,652.00	-10.17%
Elbert	\$ 205,585.00	\$ 217,948.00	6.01%	Rio Blanco	\$ 339,608.00	\$ 304,862.00	-10.23%
Gunnison	\$ 373,163.00	\$ 395,569.00	6.00%	La Plata	\$ 1,872,779.00	\$ 1,518,735.00	-18.90%
Mesa	\$ 955,672.00	\$ 1,012,567.00	5.95%	<b>TOTALS</b>	<b>\$ 60,563,854.00</b>	<b>\$ 61,949,196.00</b>	<b>2.29%</b>
Denver	\$ 7,981,556.00	\$ 8,430,366.00	5.62%				
Jefferson	\$ 5,991,228.00	\$ 6,314,034.00	5.39%				
Larimer	\$ 2,964,382.00	\$ 3,114,269.00	5.06%				
Montrose	\$ 301,275.00	\$ 316,155.00	4.94%				
Hinsdale	\$ 34,875.00	\$ 36,520.00	4.72%				
Logan	\$ 151,747.00	\$ 158,491.00	4.44%				
Boulder	\$ 4,533,134.00	\$ 4,707,673.00	3.85%				
Grand	\$ 470,916.00	\$ 486,798.00	3.37%				
Gilpin	\$ 266,793.00	\$ 275,430.00	3.24%				
Huerfano	\$ 106,759.00	\$ 110,057.00	3.09%				
Ouray	\$ 100,807.00	\$ 103,463.00	2.63%				
Weld	\$ 2,427,283.00	\$ 2,482,938.00	2.29%				
Routt	\$ 672,383.00	\$ 687,457.00	2.24%				
Sedgwick	\$ 30,251.00	\$ 30,519.00	0.89%				
Alamosa	\$ 105,083.00	\$ 105,710.00	0.60%				
Kit Carson	\$ 92,396.00	\$ 92,783.00	0.42%				
Garfield	\$ 918,296.00	\$ 922,033.00	0.41%				
Rio Grande	\$ 119,878.00	\$ 120,322.00	0.37%				
Summit	\$ 1,199,719.00	\$ 1,200,410.00	0.06%				

On an absolute basis, La Plata County lost the most valuation with a drop of just under \$355 million in 2003. In 2003, 10 counties experienced double digit growth rates, double the number in 2002. Fremont County

experienced the largest rate of growth at 20.15%. Unlike last year, in 2003 only counties with relatively small total valuations experienced double digit growth. None of the counties with valuations in excess of \$1 billion experienced double digit growth. In contrast, back in 2001, all of the \$1 billion or greater valuation counties experienced growth rate in excess of 10%.

Overall, statewide assessed valuations grew at a rate of 2.29%, much more consistent with 2002 and far more modest than the just over 20% growth in 2001. Consistent with 2002, assessed valuations grew at a lower rate than total property tax receipts. In 2003, property tax receipts grew by 5.06%. Statewide, average county mill levies grew by 2.74%.

### **Property Tax Revenues**

Statewide, total property tax revenue increased by just over \$221 million between 2002 and 2003. This is an increase consistent with that of 2002 when property tax revenues increased by \$259. In 2003, total property tax collections in the state were just over \$4.595 billion, a 5.06% increase over the prior year's revenues. Again, 2003's growth was far more modest than 2001's rate of 11.64% and more consistent with that of 2002. Overall, average mill levies in the state increased by 2.74%, almost exactly the same increase as in 2002 when they grew by 2.75%. In 2003, 34 of the state's counties reported decreases in average mill levies. The largest percentage decrease was in Crowley whose mill levy fell by 11.89% or just under 9 mills. The largest percentage increase was in La Plata County, one of 3 counties along with Fremont and Ouray to experience double digit growth in its mill levy. Consistent with 2002, property tax revenue increases were somewhat equally driven by small mill levy increases and small valuation increases.

In 2003, 20 counties reported decreases in property tax revenues. However, on a percentage basis, most of the county decreases were modest with the largest decrease experienced by Kiowa County with a 6.88% decrease. On a percentage basis, the largest increase in revenues occurred in Fremont County, one of 6 counties to experience double digit percentage growth in revenues. Of the double digit growth counties, both Denver and Douglas are large counties, meaning that the large percentage growth also translated into large absolute growth. In absolute dollars, Denver County experienced the largest increase in property tax revenues, followed by Douglas County. Of the larger counties, those with property tax revenues in excess of \$100 million, Denver County experienced the largest percentage growth in revenues, again followed closely by Douglas. Of those larger counties, only those 2 counties experienced growth rates in excess of 10%. Consistent with last year's findings, the highest mill levy in the state is again in Phillips County at 100.072. And, in a return to earlier years' experience, the lowest mill levy in the state is in Pitkin County, with a rate of 34.797 mills.

### **Conclusion**

Consistent with 2002, the word for tax year 2003 is modest. Total state assessed valuations grew by 2.29% over 2002's value. Tax revenues for 2003 grew by 5.06%, slightly lower than in 2002 and modest compared with the state's experience in the years just prior to 2002.

On a per capita basis, each resident of Colorado carries an annual property tax burden of \$1010, a 4.17% increase over the per capita tax burden from 2002. As per a Division of Property Taxation calculation, residential taxpayers experienced savings of just over \$1.053 billion in 2003 due to the shift in property tax burden from residential to non-residential resulting from the Gallagher Amendment. This represents a savings of approximately \$231 per capita. This slight increase in both overall and per capita property taxes comes in a year when average mill levies statewide rose by 2.74%. In 2003, consistent with 2002, both slightly rising valuations and mill levies contributed to the increase in property tax receipts.

Colorado's K-12 school districts continued to receive the majority of the property tax revenues in the state, and their percentage of the pie remained at just around 53%. The fastest growing sector of local

government in terms of property tax revenues was counties, and in a continuation of a trend hinted at last year, junior colleges in 2003 actually saw their property tax revenues decrease by just under 1%.

Finally, consistent with the predicted effects of the Gallagher Amendment and times of increasing residential property values, the difference between total actual and assessed values continued to increasingly diverge during the past ten years. Between 1993 and 2003, assessed valuations increased by 114.95% while actual values increased by 208.55% over the same period. Statewide, residential property now accounts for 77.51% of all actual valuations, slightly up from the 77.48% of 2002. In 2001 Colorado saw its first decrease in the residential assessment rate since 1997 and in 2003 that rate fell further. That rate now sits at 7.96.

