

OPTIONS FOR REDUCING RESIDENTIAL PROPERTY TAXES

Colorado's Gov. Jared Polis has called the General Assembly into a special session to make additional property tax cuts on top of [SB24-233](#). The proposal that has been preliminarily negotiated between the Governor and the proponents of Initiatives 50 and 108, now drafted into [HB24B-1001](#), provides additional cuts of approximately \$247 million in 2025 and \$271 million in 2026. The bulk of these cuts apply to residential property taxes, though some percentage of these cuts go to industrial and state assessed commercial properties.

There are limits to what can be implemented by county assessors ahead of 2025, but starting in 2026, the legislature has more options. The first option is to reduce assessment rates, as is being proposed in HB24B-1001. The second is to use value subtractions, as was done in the 2023 special session and in SB24-233.

We estimate that the following value subtractions would achieve the same magnitude of residential tax cuts in 2026 as HB24B-1001:

- School Finance Act: Subtract 3.2 percent of the first \$700,000 of home value
- Local Govt & Other School Property Taxes: Subtract 14.7 percent of the first \$700,000 of home value (up from 10 percent under SB24-233)

To account for various uncertainties, including the share of the property tax cuts going to industrial or state-assessed commercial properties, the following analysis uses a 2 percent subtraction for schools and a 14 percent subtraction for local governments. Even with these smaller subtractions, **our analysis finds value subtractions provide a larger benefit to the median homeowner in nearly every county in Colorado without giving significantly larger tax cuts to those who own multi-million dollar homes.**

Assumptions

According to the Office of State Planning and Budgeting, every 1 percent of \$700,000 subtraction results in statewide property tax reductions of \$29 million for school finance act and \$26 million for local governments. The school district value subtraction was calculated using the projected increase in state share of \$92.3 million rather than the larger \$150.1 million total reduction in school property taxes.

Average county mill information was gathered from the 2023 [Annual Report of the Division of Property Taxation](#). School finance act mill information for FY 2023-2024 was gathered from the [Colorado School Finance Project](#). Quarter one, 2024, median home value information was gathered from the [National Association of Realtors](#).

Adams County

Average levy of 116 mills including 27 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$417,495	\$3,459	\$332	\$61	\$119
Median Home Value	\$556,660	\$4,612	\$443	\$82	\$159
Higher Home Value (200% of median)	\$1,113,320	\$9,225	\$630	\$169	\$200

* Cuts in addition to SB24-233 cuts

Alamosa County

Average levy of 116 mills including 27 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$169,568	\$897	\$71	\$15	\$29
Median Home Value	\$226,090	\$1,196	\$95	\$20	\$38
Higher Home Value (200% of median)	\$452,180	\$2,392	\$190	\$41	\$77

* Cuts in addition to SB24-233 cuts

Arapahoe County

Average levy of 96 mills including 27 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$473,438	\$3,265	\$294	\$57	\$110
Median Home Value	\$631,250	\$4,354	\$392	\$76	\$146
Higher Home Value (200% of median)	\$1,262,500	\$8,707	\$513	\$158	\$162

* Cuts in addition to SB24-233 cuts

Boulder County

Average levy of 92 mills including 27 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$652,650	\$4,291	\$379	\$75	\$143
Median Home Value	\$870,200	\$5,722	\$429	\$101	\$153
Higher Home Value (200% of median)	\$1,740,400	\$11,443	\$542	\$210	\$153

* Cuts in addition to SB24-233 cuts

Denver County

Average levy of 82 mills including 27 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$532,440	\$3,107	\$260	\$54	\$101
Median Home Value	\$709,920	\$4,143	\$343	\$72	\$133
Higher Home Value (200% of median)	\$1,419,840	\$8,286	\$421	\$149	\$133

* Cuts in addition to SB24-233 cuts

Douglas County

Average levy of 103 mills including 27 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$619,845	\$4,584	\$424	\$81	\$156
Median Home Value	\$826,460	\$6,113	\$498	\$109	\$176
Higher Home Value (200% of median)	\$1,652,920	\$12,225	\$625	\$226	\$176

* Cuts in addition to SB24-233 cuts

El Paso County

Average levy of 69 mills including 27 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$386,115	\$1,904	\$145	\$32	\$60
Median Home Value	\$514,820	\$2,539	\$193	\$43	\$80
Higher Home Value (200% of median)	\$1,029,640	\$5,078	\$291	\$88	\$109

* Cuts in addition to SB24-233 cuts

Jefferson County

Average levy of 98 mills including 27 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$539,025	\$3,761	\$341	\$66	\$127
Median Home Value	\$718,700	\$5,014	\$445	\$88	\$164
Higher Home Value (200% of median)	\$1,437,400	\$10,029	\$546	\$184	\$164

* Cuts in addition to SB24-233 cuts

La Plata County

Average levy of 47 mills including 10 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$454,793	\$1,518	\$151	\$27	\$53
Median Home Value	\$606,390	\$2,024	\$201	\$36	\$71
Higher Home Value (200% of median)	\$1,212,780	\$4,048	\$270	\$75	\$82

* Cuts in addition to SB24-233 cuts

Logan County

Average levy of 59 mills including 27 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$187,223	\$796	\$54	\$13	\$24
Median Home Value	\$249,630	\$1,062	\$73	\$18	\$32
Higher Home Value (200% of median)	\$499,260	\$2,124	\$145	\$35	\$64

* Cuts in addition to SB24-233 cuts

Mesa County

Average levy of 70 mills including 27 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$344,490	\$1,720	\$132	\$29	\$54
Median Home Value	\$459,320	\$2,294	\$176	\$39	\$72
Higher Home Value (200% of median)	\$918,640	\$4,587	\$287	\$79	\$110

* Cuts in addition to SB24-233 cuts

Pueblo County

Average levy of 95 mills including 27 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$244,695	\$1,668	\$150	\$29	\$56
Median Home Value	\$326,260	\$2,224	\$200	\$39	\$75
Higher Home Value (200% of median)	\$652,520	\$4,448	\$399	\$78	\$149

* Cuts in addition to SB24-233 cuts

Summit County

Average levy of 56 mills including 11 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$678,593	\$2,714	\$275	\$49	\$96
Median Home Value	\$904,790	\$3,619	\$302	\$66	\$99
Higher Home Value (200% of median)	\$1,809,580	\$7,238	\$384	\$137	\$99

* Cuts in addition to SB24-233 cuts

Weld County

Average levy of 71 mills including 25 school finance act mills.

		Prop Tax Bill (Current Law)	SB24-233 Tax Cut	Tax Cut with Assessment Rates*	Tax Cut with Value Subtractions*
Lower Home Value (75% of median)	\$406,373	\$2,074	\$169	\$36	\$67
Median Home Value	\$541,830	\$2,766	\$225	\$47	\$89
Higher Home Value (200% of median)	\$1,083,660	\$5,531	\$326	\$98	\$115

* Cuts in addition to SB24-233 cuts