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Understanding your property tax bill

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As the Pitkin County assessor, I am mandated by Colorado law to reappraise property every odd year. Mass appraisal is a process that allows for the valuation of all types of properties to produce uniform, fair and equitable values. 2023 is a reappraisal year and your property notice of valuation was mailed on May 1. You should expect it shortly after that date.

This reappraisal is based on sales data collected 18 months prior to June 30, 2022 (Jan. 1, 2021-June 30, 2022). The sales data is grouped first by regional location or economic/neighborhood areas; then by property types such as vacant land, single-family residential, condos; or by the various commercial property types like retail, office or lodging, etc. Valuation models are developed for each property type within each respective economic/neighborhood area.

Because of the unprecedented rise of property values that reflect a hot real estate market, such as our local markets, the Colorado Legislature has approved a value reduction that will be subtracted from residential and commercial property. Residential property will be reduced by \$15,000 and commercial will be reduced by \$30,000 for 2023. While these reductions will not show up on your notice, they will be subtracted at the end of the year.

We send notices to property owners every two years and when a value changes in the intervening year. If any owner feels the value or classification placed on their property is in error, they may file an appeal. 2023 appeals begin May 1 and go through June 8.

Property owners cannot appeal on the basis of their estimated taxes, only their total actual value.

Property assessed value and taxes are determined as follows: The assessed value of your property is calculated as a percentage of the actual value of each property. This year the state has lowered the assessment percentage rates to help ease tax burdens in this

inflationary time. All residential property was lowered from 6.95% to 6.765%. Agricultural remained unchanged at 26.4%. All other types of property, including vacant land, commercial and industrial, were lowered from 29% to 27.9%.

The new assessment rate will not be reflected on our website or software until after July 15.

Assessor doesn't set taxes

Tax authorities determine property tax. Each year the assessor notifies each of the 46 taxing authorities of the total assessed value of all properties within the authority's boundaries. Tax authorities are governmental bodies that provide services to taxpayers and operate in whole or part from the collection of property taxes. Examples include county, cities and towns, schools, metropolitan and recreation districts and libraries, as well as fire and water districts.

These authorities provide the services people expect. Each taxing authority determines their respective revenue needs (budget) annually and then calculates their mill levy based on revenues needed for the following year. The county is comprised of a mix of 72 taxing districts, which is a combination of various authorities that use assessed value to determine their mill levies.

For example: A single-family home with a value of \$750,000 will have an assessed value of \$50,740. $\$750,000 \text{ (Actual Value)} \times .06765 \text{ (Residential Assessment Rate)} = \$50,740$ Assessed Value (rounded to the nearest \$10).

The assessed value is then multiplied by the cumulative mill levies (per thousand) with the tax district. In our example, assume a total mill levy of 65.00, broken out by authority below:

Authority 2022 mills

Tax Estimate

County 9.0 mills x \$50,740 = \$456.66

School district 30.0 mills x \$50,740 = \$1,522.20

Town 2.0 mills x \$50,740= \$101.48

Recreation district 2.5 mills x \$50,740= \$126.85

Fire district 10 mills x \$50,740= \$507.40

Cemetery 1.0 mills x \$50,740\$50.74

Metro district 10.5 mills x \$50,740 = \$532.77

Total tax 65 mills x \$50,740 = \$3,298.10

\$50,740 x .06500 (65.00 Mill Levy) = \$3,298.10 total tax due. The property owner will see this type of breakdown on their tax bill, which is mailed by the county treasurer each January. You can go to the Pitkin County Treasurer's web page to determine the property tax you pay to each jurisdiction.

For more information about how the assessment process works please visit our website at www.pitkincounty.com/assessor.