

Breaking down Prop HH for Pitkin County homeowners

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A yard sign near the traffic circle at Willits urges Eagle County voters to vote "no" on Proposition HH, a state ballot measure aimed at lowering the property tax bill burden through 2032.

Josie Taris/The Aspen Times

Everyone is looking for property tax relief in a year when Pitkin County — and the state’s — property valuations soared. State ballot measure Proposition HH aims to reduce the property tax burden for taxpayers while backfilling local governments with TABOR funds for lost revenue.

Proponents say the measure comes just when property owners need it most — especially in Pitkin County, which saw the highest jump in valuations from 2021 to 2023 statewide. But opponents say it hamstring local control to provide tax relief and its future is too ambiguous.

Prop HH is a product of Democrat-sponsored Colorado General Assembly bill [SB23-203](#), which passed in May.

What does Prop HH say?

The most immediate property valuation reduction strategy in Prop HH is twofold: reduce assessed value and reduce the assessment rate.

Property tax is calculated by an equation. For residential properties, that equation is: actual value x assessment rate = assessed value, then assessed value x mill levy = tax amount.

The actual value of a property is determined by the county assessor’s office. The assessment rate is set by the state. The legislature lowered the residential and multi-family property rate to 6.765% from 6.95% earlier this year. Mill levies are set by local special tax districts and will not be finalized until sometime in December.

Prop HH would lower that assessment rate to 6.7% through the 2032 tax year, keeping the tax rate lower than it would be otherwise. The [state act that lowered it from 6.765% from 6.95%](#) will expire by the 2025 tax year, and the rate will bounce back to 7.15%.

And taxpayers would be able to reduce \$50,000 from their home’s value. That deduction would step down over time and eventually only apply to primary residences.

Another major perk to property owners is the expansion of the senior homestead exemption, which allows longtime property owners 65 and older to deduct up to \$100,000 of their property value for tax purposes. Under Prop HH, seniors who bought a new property and moved would be able to carry that homestead exemption with them to their new home.

The funds lost at the local level from Prop HH would be backfilled by TABOR funds. To keep up with backfill demands, Prop HH would allow for the state’s spending cap under TABOR to grow by 1% annually. Excess of that spending cap will still go back to taxpayers.

Impact on taxpayer TABOR refunds depends on income but is expected to decrease in the coming years. And Prop HH is projected to contribute to that decrease in refunds but not significantly, [according to state projections](#).

The measure also directs the setup of a rent relief fund up to \$20 million for renters in the state. Census data shows that as of 2021, 34% of Coloradans are renters.

A [Prop HH calculation tool](#) by the Legislative Council Staff estimates TABOR refund and property tax impact from the measure for 2023 and 2024.

If passed, Prop HH would remain in effect through 2032. Then the legislature could allow it to extend in perpetuity.

Figure 6

Projected Change in TABOR Refunds for 2024 and 2025 Under Proposition HH

For a single filer; amounts double for joint filers

Adjusted Gross Income	Percent of Taxpayers*	Refund Amount		Change in Refund
		Current Law	Under Prop. HH	
2024 Refunds				
Up to \$52,000	35%	\$357	\$326	-\$31
\$52,001 to \$103,000	27%	\$476	\$434	-\$42
\$103,001 to \$163,000	17%	\$548	\$500	-\$48
\$163,001 to \$226,000	9%	\$651	\$594	-\$57
\$226,001 to \$289,000	4%	\$701	\$639	-\$62
\$289,001 and up	7%	\$1,128	\$1,028	-\$100
2025 Refunds				
Up to \$53,000	35%	\$336	\$269	-\$67
\$53,001 to \$105,000	27%	\$448	\$358	-\$90
\$105,001 to \$167,000	17%	\$515	\$412	-\$103
\$167,001 to \$231,000	9%	\$612	\$490	-\$122
\$231,001 to \$297,000	4%	\$659	\$527	-\$132
\$297,001 and up	7%	\$1,060	\$848	-\$212

* Totals may not sum due to rounding.

This table lays out the estimated changes to TABOR refunds in 2024 and 2025, with or without Proposition HH.
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Pitkin County thoughts

Pitkin County Assessor Deb Bamesberger said in email that she does not think Prop HH would provide sufficient benefit to county taxpayers for all the extra work it would require of her office.

It’s a sentiment echoed by other assessors, according to Kelly Flenniken, the executive director of Colorado Counties Inc (CCI).

“I actually just heard this at a meeting ... that it is a tremendous amount of work for the assessor’s office and kind of unclear if the work and the reward is tracking is the same level,” she said.

CCI, a non-profit membership organization representing local government statewide, voted to take a “No” position on Prop HH, but she said some members are still supporters of the measure.

“There is some good in the short term here because there is some property tax relief, and that’s kind of the main driver. And the thing that residents of Colorado would like to see is a reduction to, to property taxes,” she said. “I think there’s a concern that the ability for counties to continue to deliver the level of services that their constituents expect could be reduced, mainly because the backfill piece doesn’t go across the board.”

Property tax is the primary funder for local governments in Colorado, and Flenniken said that the backfill plan for lost revenue has not been sufficiently specific.

Either way, Ann Driggers, the chief financial and administrative officer for Pitkin County, said her office is not preparing multiple budgets in anticipation of Prop HH.

“We are not creating different budget scenarios as Pitkin County funds are restricted (for the most part) to the 5.5% increase,” she said. “If we had no restrictions, Prop HH would reduce revenues by a few percent off the total increase in valuations of an estimated 72%.”

In Pitkin County, few groups have provided a stance either way. The Aspen School District, nor its board, have a position on Prop HH, and neither does the Aspen Board of Realtors.

Political parties have weighed in, with Pitkin County Democrats in favor and Pitkin County Republicans against.

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