



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

SB 26-046: PROPERTY TAX ADMINISTRATIVE PROCEDURES

Prime Sponsors:

Sen. Frizell; Ball

Rep. Richardson; Zokaei

Fiscal Analyst:

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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill makes changes to administrative procedures for property taxes including changes to deadlines and requirements for transmitting information.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Workload
- Local Government

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill makes the following changes to administrative procedures for property taxes:

- aligns the regular and late application dates for the qualified-senior primary residence real property subclassification with the application dates for the senior and veterans homestead exemption by moving back the regular date from March 15 to July 15, and the late date from July 15 to August 15;
- increases the threshold for recommending or settling an abatement of taxes in a county from \$10,000 to \$20,000, and similarly aligns the threshold required for counties to submit abatement recommendations to the Division of Property Taxation for review;
- allows counties to not submit a recommendation for review to the Division of Property Taxation for abatements made to ensure matching values in the same reassessment cycle;
- reduces the number of copies of abatement recommendations required to be submitted for review to one from two, and specifies that copies must be in either electronic or paper format;
- specifies that counties must transmit a copy of the certification of taxes levied that is required to be filed with the Division of Local Government in either paper or electronic format;
- changes the real property protest deadline from June 8 to June 1;
- for counties that use alternate protest and appeals procedures, changes the deadline for assessors to send a notice of valuation of personal property from June 15 to July 15, and changes the personal property protest deadline from June 30 to July 31;
- clarifies that a county's use of alternate procedures may apply to real or personal property, or both; and
- moves the conclusion of personal property protest hearings from July 5 to June 30, and requires counties using alternate protest and appeals procedures to conclude hearings by July 31, aligning the dates with the protest deadlines for personal property.

Background

Senate Bill 24-111

Senate Bill 24-111 created a property tax benefit for qualifying senior homeowners who have previously qualified for the constitutional senior homestead exemption but who are currently ineligible for it. The bill created an equivalent benefit by reducing the assessed value of

qualified-senior primary residence properties, or by subtracting an amount equal to 50 percent of the first \$200,000 in actual value from the value of the property before the assessment rate is applied. The subtraction is limited to the lesser of \$100,000 or the amount that reduces a property's assessed value to \$1,000. Senior homeowners must apply to county assessors for the new residential subclassification. The benefit is available for the 2025 and 2026 property tax years (PTY), however the subclassification exists in perpetuity. The bill also established property tax reductions under the bill as a TABOR refund mechanism, paid via reimbursements to local governments for foregone property tax revenue. Based on preliminary data from the Division of Property Taxation and the December 2025 LCS forecast, there were about 2,400 classifications confirmed for PTY 2025, and reimbursements will total a projected \$1.6 million for FY 2025-26.

State Expenditures

Division of Property Taxation

On net, the bill minimally reduces workload in the Division of Property Taxation in the Department of Local Affairs (DPT). The bill increases workload beginning in FY 2026-27 by requiring DPT to update procedures, forms, manuals, and training materials. DPT also provides technical assistance to assessors' offices and responds to requests for information. The bill will also decrease workload for DPT beginning in FY 2026-27 due to the higher thresholds in the bill for abatement reviews. Based on abatements data from 2025, the number of abatements received by DPT would be reduced by half, or about 130 reviews in FY 2026-27 (half-year impact), and by 260 reviews in FY 2027-28. Abatement reviews are expected to increase over time with higher property values and a static threshold. The lower value reviews conducted by DPT require on average about 1 hour each. Changes to the thresholds for abatement reviews in the bill begin January 1, 2027.

Qualified Senior Primary Residence Property Tax Classification

The bill extends the deadline for late applications for the qualified senior primary tax subclassification by one month from July 15 to August 15 beginning for PTY 2027, after assessed value reductions for qualified senior primary residences expire. Under current law, the extended deadlines in the bill will not have an impact on state expenditures for local reimbursements of lost property tax revenue under SB 24-111. However, if the General Assembly extends the assessed value reductions for future years and initiates reimbursements of lost revenue for local governments, an extended application deadline may increase the number of qualifying properties in the state and increase state expenditures.

Local Government

The bill minimally reduces workload for county assessors, largely related to the cost of mailing, document copies, and abatement review submissions.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed, except that certain provisions in Sections 1, 3, 5, 6, 7, 8, and 9 of the bill take effect January 1, 2027.

State and Local Government Contacts

Counties	Local Affairs
County Assessors	Property Taxation