

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0427.01 Rebecca Bayetti x4348

HOUSE BILL 26-1036

HOUSE SPONSORSHIP

Titone and Velasco,

SENATE SPONSORSHIP

(None),

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AUTHORIZATION FOR A LOCAL GOVERNMENT TO IMPOSE**
102 **TAXES ON VACANT RESIDENTIAL PROPERTIES, AND, IN**
103 **CONNECTION THEREWITH, ALLOWING A LOCAL GOVERNMENT**
104 **TO LEVY AN EXCISE TAX BASED ON THE CHARACTERISTICS OF A**
105 **RESIDENTIAL PROPERTY, ALLOWING A LOCAL GOVERNMENT TO**
106 **CREATE A NEW PROPERTY TAX CLASSIFICATION FOR VACANT**
107 **RESIDENTIAL PROPERTIES AND LEVY AN ADDITIONAL PROPERTY**
108 **TAX ON THOSE PROPERTIES, AND ALLOWING LOCAL**
109 **GOVERNMENTS TO CONTRACT TO FORM A LOCAL HOUSING TAX**
110 **AUTHORITY.**

Bill Summary

(Note: This summary applies to this bill as introduced and does

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill authorizes a county or municipality (local government), after approval by the electors of the local government, to impose an excise or a property tax, or both, on vacant residential properties within the boundaries of the local government (local taxes on vacant residential properties) (**sections 1 and 3** of the bill). A local government may use the revenues collected from either tax only for affordable, attainable, or workforce housing. A county assessor has no duty in implementing local taxes on vacant residential properties, but in an assessor's discretion, the assessor may assist by providing data and information to a local government or local housing tax authority, and may enter into an intergovernmental agreement that provides for compensation in exchange for the assessor's assistance.

The bill also creates a process for the creation of a local housing tax authority (authority) by intergovernmental agreement to allow 2 or more counties, cities and counties, or municipalities to form a joint taxing authority to collectively establish, levy, collect, and enforce local taxes on vacant residential properties within the boundaries of the authority (**section 2**).

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 29-2-117 as
3 follows:

4 **29-2-117. Authority to levy excise tax on vacant residential
5 units - county - municipality - election - definitions.**

6 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
7 REQUIRES:

8 (a) "SHORT-TERM RENTAL UNIT" MEANS A BUILDING THAT:

9 (I) IS LICENSED AS A SHORT-TERM RENTAL UNIT WITHIN THE
10 COUNTY, MUNICIPALITY, OR LOCAL HOUSING TAX AUTHORITY IMPOSING A
11 TAX PURSUANT TO THIS SECTION; OR

12 (II) (A) IS DESIGNED FOR USE PREDOMINANTLY AS A PLACE OF

1 RESIDENCY BY A PERSON, A FAMILY, OR FAMILIES; AND

2 (B) IS AVAILABLE TO BE LEASED FOR ONE OR MORE SHORT-TERM
3 STAYS.

4 (b) "SHORT-TERM STAY" MEANS OVERNIGHT LODGING THAT IS
5 PROVIDED TO AN INDIVIDUAL OR BUSINESS FOR LESS THAN THIRTY
6 CONSECUTIVE DAYS IN EXCHANGE FOR MONETARY PAYMENT.

7 (c) "VACANT RESIDENTIAL UNIT" MEANS A BUILDING THAT:

8 (I) IS DESIGNED FOR USE PREDOMINANTLY AS A PLACE OF
9 RESIDENCY BY A PERSON, A FAMILY, OR FAMILIES;

10 (II) IS UNOCCUPIED AND NOT USED AS A RESIDENCE FOR A
11 SPECIFIED AMOUNT OF TIME, AS DETERMINED BY THE COUNTY,
12 MUNICIPALITY, OR LOCAL HOUSING TAX AUTHORITY IMPOSING A TAX
13 PURSUANT TO THIS SECTION; AND

14 (III) IS NOT A SHORT-TERM RENTAL UNIT.

15 (2) (a) EACH COUNTY IN THE STATE IS AUTHORIZED TO LEVY,
16 COLLECT, AND ENFORCE A COUNTY EXCISE TAX ON ALL VACANT
17 RESIDENTIAL UNITS WITHIN THE COUNTY, OR ANY SUBSET THEREOF, AS
18 PROVIDED IN THIS SUBSECTION (2); EXCEPT THAT A COUNTY IS NOT
19 AUTHORIZED TO LEVY, COLLECT, AND ENFORCE A COUNTY EXCISE TAX
20 PURSUANT TO THIS SUBSECTION (2) WITHIN A MUNICIPALITY UNLESS AN
21 AGREEMENT EXISTS BETWEEN THE COUNTY AND MUNICIPALITY TO IMPOSE
22 THE TAX WITHIN THE MUNICIPAL BOUNDARIES. A COUNTY IS AUTHORIZED
23 TO LEVY, COLLECT, AND ENFORCE AN EXCISE TAX PURSUANT TO THIS
24 SUBSECTION (2) IN UNINCORPORATED AREAS OF THE COUNTY. A COUNTY
25 IS AUTHORIZED TO LEVY, COLLECT, AND ENFORCE AN EXCISE TAX
26 PURSUANT TO THIS SUBSECTION (2) AS A FLAT RATE ON ALL VACANT
27 RESIDENTIAL UNITS WITHIN THE COUNTY, OR ANY SUBSET THEREOF, OR

1 BASED ON THE UNIT TYPE, NUMBER OF BEDROOMS, OR SQUARE FOOTAGE
2 OF THE UNIT.

3 (b) A COUNTY SHALL NOT LEVY AN EXCISE TAX PURSUANT TO THE
4 PROVISIONS OF SUBSECTION (2)(a) OF THIS SECTION UNTIL THE PROPOSAL
5 HAS BEEN REFERRED TO AND APPROVED BY THE ELIGIBLE ELECTORS OF
6 THE COUNTY IN ACCORDANCE WITH THE REQUIREMENTS OF ARTICLE X,
7 SECTION 20 OF THE STATE CONSTITUTION. THE ADOPTION PROCEDURES
8 FOR A COUNTYWIDE SALES TAX, USE TAX, OR BOTH, AS SPECIFIED IN THIS
9 ARTICLE 2, APPLY TO THE REFERRAL AND APPROVAL OF AN EXCISE TAX
10 PURSUANT TO THIS SUBSECTION (2). A PROPOSAL FOR A COUNTY EXCISE
11 TAX PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION MUST CONTAIN A
12 DESCRIPTION OF THE PROPOSED TAX, MUST STATE THE AMOUNT TO BE
13 IMPOSED, AND MUST DESCRIBE THE AREA WITHIN THE COUNTY IN WHICH
14 THE TAX WILL BE IMPOSED.

15 (3)(a) EACH MUNICIPALITY IN THE STATE IS AUTHORIZED TO LEVY,
16 COLLECT, AND ENFORCE A MUNICIPAL EXCISE TAX ON ALL VACANT
17 RESIDENTIAL UNITS WITHIN THE MUNICIPALITY, OR ANY SUBSET THEREOF,
18 AS PROVIDED IN THIS SUBSECTION (3). A MUNICIPALITY IS AUTHORIZED TO
19 LEVY, COLLECT, AND ENFORCE AN EXCISE TAX PURSUANT TO THIS
20 SUBSECTION (3) AS A FLAT RATE ON ALL VACANT RESIDENTIAL UNITS
21 WITHIN THE MUNICIPALITY, OR ANY SUBSET THEREOF, OR BASED ON THE
22 UNIT TYPE, NUMBER OF BEDROOMS, OR SQUARE FOOTAGE OF THE UNIT.

23 (b) A MUNICIPALITY SHALL NOT LEVY AN EXCISE TAX PURSUANT
24 TO THE PROVISIONS OF SUBSECTION (3)(a) OF THIS SECTION UNTIL THE
25 PROPOSAL HAS BEEN REFERRED TO AND APPROVED BY THE ELIGIBLE
26 ELECTORS OF THE MUNICIPALITY IN ACCORDANCE WITH THE
27 REQUIREMENTS OF ARTICLE X, SECTION 20 OF THE STATE CONSTITUTION.

1 A PROPOSAL FOR A MUNICIPAL EXCISE TAX PURSUANT TO SUBSECTION
2 (3)(a) OF THIS SECTION MUST CONTAIN A DESCRIPTION OF THE PROPOSED
3 TAX AND THE AMOUNT TO BE IMPOSED.

4 (4) THE DEPARTMENT OF REVENUE SHALL NOT COLLECT,
5 ADMINISTER, OR ENFORCE AN EXCISE TAX IMPOSED BY A COUNTY OR
6 MUNICIPALITY PURSUANT TO THIS SECTION AND, INSTEAD, THE COUNTY OR
7 MUNICIPALITY IMPOSING THE TAX SHALL COLLECT, ADMINISTER, AND
8 ENFORCE THE EXCISE TAX. A MUNICIPALITY MAY COLLECT, ADMINISTER,
9 AND ENFORCE THE EXCISE TAX ACCORDING TO PART 1 OF ARTICLE 20 OF
10 TITLE 31, INCLUDING CERTIFYING DELINQUENT CHARGES, ASSESSMENTS,
11 OR TAXES TO THE TREASURER OF THE COUNTY PURSUANT TO SECTION
12 31-20-105.

13 (5) ONE OR MORE COUNTIES OR MUNICIPALITIES MAY FORM A
14 LOCAL HOUSING TAX AUTHORITY PURSUANT TO PART 13 OF ARTICLE 4 OF
15 THIS TITLE 29 TO COLLABORATE ON A COORDINATED ELECTION TO
16 APPROVE THE LEVY OF AN EXCISE TAX PURSUANT TO THIS SECTION AND ON
17 THE COLLECTION, ADMINISTRATION, AND ENFORCEMENT OF AN APPROVED
18 TAX.

19 (6) (a) A COUNTY OR MUNICIPALITY IN WHICH THE ELIGIBLE
20 ELECTORS HAVE APPROVED THE LEVY OF AN EXCISE TAX PURSUANT TO
21 THIS SECTION MAY CREDIT THE REVENUES COLLECTED FROM THE TAX TO
22 THE GENERAL FUND OF THE COUNTY OR MUNICIPALITY OR TO ANY SPECIAL
23 FUND CREATED IN THE COUNTY'S OR MUNICIPALITY'S TREASURY.

24 (b) A COUNTY OR MUNICIPALITY MAY USE THE REVENUES
25 COLLECTED FROM AN EXCISE TAX IMPOSED PURSUANT TO THIS SECTION
26 ONLY FOR AFFORDABLE, ATTAINABLE, OR WORKFORCE HOUSING, AS
27 DEFINED BY THE COUNTY OR MUNICIPALITY. TO THE EXTENT THAT A

1 COUNTY OR MUNICIPALITY IS REQUIRED TO CONDUCT A HOUSING NEEDS
2 ASSESSMENT PURSUANT TO PART 37 OF ARTICLE 32 OF TITLE 24, THE
3 REVENUES COLLECTED FROM THE TAX MUST BE USED TO SUPPORT A
4 DEMONSTRATED NEED IDENTIFIED IN THE COUNTY'S OR MUNICIPALITY'S
5 MOST RECENT HOUSING NEEDS ASSESSMENT.

6 (7) A COUNTY ASSESSOR HAS NO DUTY IN IMPLEMENTING A TAX
7 ASSESSED AND LEVIED BY A COUNTY OR MUNICIPALITY PURSUANT TO THIS
8 SECTION. IN AN ASSESSOR'S DISCRETION, THE ASSESSOR MAY ASSIST BY
9 PROVIDING DATA AND INFORMATION TO A COUNTY, MUNICIPALITY, OR
10 LOCAL HOUSING TAX AUTHORITY, AND MAY ENTER INTO AN
11 INTERGOVERNMENTAL AGREEMENT THAT PROVIDES FOR COMPENSATION
12 IN EXCHANGE FOR THE ASSESSOR'S ASSISTANCE.

13 (8) NOTHING IN THIS SECTION SHOULD BE CONSTRUED TO LIMIT
14 THE POWERS OF HOME RULE MUNICIPALITIES ORGANIZED UNDER THE
15 PROVISIONS OF ARTICLE XX OF THE STATE CONSTITUTION.

16 **SECTION 2.** In Colorado Revised Statutes, **add** part 13 to article
17 4 of title 29 as follows:

18 **PART 13**

19 **LOCAL HOUSING TAX AUTHORITIES**

20 **29-4-1301. Definitions.**

21 AS USED IN THIS PART 13, UNLESS THE CONTEXT OTHERWISE
22 REQUIRES:

23 (1) "GOVERNING BODY" MEANS THE BOARD OF COUNTY
24 COMMISSIONERS OF A COUNTY OR THE CITY COUNCIL OF A CITY, THE
25 BOARD OF TRUSTEES OF A TOWN, OR ANY OTHER BODY BY WHATEVER
26 NAME KNOWN THAT IS GIVEN LAWFUL AUTHORITY TO ADOPT ORDINANCES
27 FOR A SPECIFIC MUNICIPALITY.

3 (3) "LOCAL HOUSING TAX AUTHORITY" OR "AUTHORITY" MEANS
4 A CORPORATE BODY ORGANIZED PURSUANT TO THIS PART 13.

5 **29-4-1302. Local housing tax authority - formation - powers**
6 **and purpose - intergovernmental agreement.**

12 (b) THE PURPOSE OF THIS PART 13 IS TO ALLOW TWO OR MORE
13 LOCAL GOVERNMENTS TO FORM A JOINT TAXING AUTHORITY TO
14 COLLECTIVELY ESTABLISH, LEVY, COLLECT, AND ENFORCE TAXES ON
15 VACANT RESIDENTIAL PROPERTY, AS PROVIDED IN SECTIONS 29-2-117 AND
16 39-1-104.8, WITHIN THE BOUNDARIES OF AN AUTHORITY.

17 (c) A LOCAL GOVERNMENT SHALL NOT ENTER INTO AN
18 INTERGOVERNMENTAL AGREEMENT TO CREATE AN AUTHORITY WITHOUT
19 HOLDING AT LEAST TWO PUBLIC HEARINGS THEREON, IN ADDITION TO
20 OTHER REQUIREMENTS IMPOSED BY LAW FOR PUBLIC NOTICE. THE LOCAL
21 GOVERNMENT SHALL GIVE NOTICE OF THE TIME, PLACE, AND PURPOSE OF
22 THE PUBLIC HEARING BY PUBLICATION IN A NEWSPAPER OF GENERAL
23 CIRCULATION IN THE LOCAL GOVERNMENT OR ON A PUBLICLY ACCESSIBLE
24 WEBSITE AT LEAST TEN DAYS PRIOR TO THE DATE OF THE PUBLIC HEARING.

25 (2) AN INTERGOVERNMENTAL AGREEMENT THAT CREATES AN
26 AUTHORITY MUST INCLUDE:

27 (a) THE NAME AND PURPOSE OF THE AUTHORITY;

4 (c) THE ESTABLISHMENT AND ORGANIZATION OF A BOARD OF
5 DIRECTORS IN WHICH ALL LEGISLATIVE POWER OF THE AUTHORITY IS
6 VESTED, INCLUDING:

7 (I) THE NUMBER OF DIRECTORS;

11 (III) THE OFFICERS OF THE DISTRICT, THE MANNER OF THEIR
12 APPOINTMENT, AND THEIR DUTIES; AND

18 (d) THE BOUNDARIES OF THE AUTHORITY, WHICH MAY NOT
19 INCLUDE:

20 (I) TERRITORY WITHIN THE BOUNDARIES OF A MUNICIPALITY THAT
21 IS NOT A MEMBER OF THE LOCAL GOVERNMENTS FORMING THE AUTHORITY,
22 AS THE BOUNDARIES OF THE MUNICIPALITY EXIST ON THE DATE THE
23 AUTHORITY IS CREATED, WITHOUT THE CONSENT OF THE GOVERNING BODY
24 OF THE MUNICIPALITY; OR

25 (II) TERRITORY WITHIN THE UNINCORPORATED BOUNDARIES OF A
26 COUNTY THAT IS NOT A MEMBER OF THE LOCAL GOVERNMENTS FORMING
27 THE AUTHORITY, AS THE UNINCORPORATED BOUNDARIES OF THE COUNTY

1 EXIST ON THE DATE THE AUTHORITY IS CREATED, WITHOUT THE CONSENT
2 OF THE GOVERNING BODY OF THE COUNTY;

3 (e) THE CONDITIONS FOR ADDING OR REMOVING A LOCAL
4 GOVERNMENT PARTY TO THE INTERGOVERNMENTAL AGREEMENT;

5 (f) THE TERM OF THE AUTHORITY, WHICH MAY BE FOR A DEFINITE
6 TERM OR UNTIL DISSOLVED, AND THE METHOD, IF ANY, BY WHICH IT MAY
7 BE DISSOLVED;

8 (g) PROVISIONS FOR AMENDMENT OF THE INTERGOVERNMENTAL
9 AGREEMENT; AND

10 (h) THE LIMITATIONS, IF ANY, ON THE POWERS GRANTED BY THIS
11 SECTION THAT MAY BE EXERCISED BY THE AUTHORITY.

12 (3) AN AUTHORITY CREATED PURSUANT TO THIS PART 13 IS A
13 SEPARATE LEGAL ENTITY AND HAS THE POWERS DESCRIBED IN SECTIONS
14 29-1-203 AND 29-1-203.5 AND ALL THE POWERS NECESSARY OR
15 CONVENIENT TO CARRY OUT AND EFFECTUATE THE PURPOSES OF THIS PART
16 13, INCLUDING THE POWER TO:

17 (a) SUE AND TO BE SUED;

18 (b) ADOPT AND ALTER A SEAL;

19 (c) HAVE PERPETUAL SUCCESSION;

20 (d) MAKE, AND FROM TIME TO TIME AMEND AND REPEAL, BYLAWS,
21 ORDERS, RULES, AND REGULATIONS TO EFFECTUATE THE PROVISIONS OF
22 THIS PART 13;

23 (e) MAKE LOANS, WHICH MAY BE SECURED BY LOAN AND SECURITY
24 AGREEMENTS, LEASES, OR ANY OTHER INSTRUMENTS UPON THE TERMS
25 AND CONDITIONS DETERMINED BY THE BOARD OF DIRECTORS OF THE
26 AUTHORITY;

27 (f) ISSUE BONDS, NOTES, OR OTHER FINANCIAL OBLIGATIONS

1 PAYABLE SOLELY FROM REVENUES OR OTHER AVAILABLE MONEY OF THE
2 AUTHORITY. THE TERMS, CONDITIONS, AND DETAILS OF THE BONDS,
3 NOTES, OR OTHER FINANCIAL OBLIGATIONS, AS DETERMINED BY THE
4 BOARD OF DIRECTORS OF THE AUTHORITY, MUST BE SET FORTH IN THE
5 SECURITY AGREEMENT UNDER WHICH THE BONDS, NOTES, OR OTHER
6 FINANCIAL OBLIGATIONS ARE ISSUED.

7 (g) COORDINATE AN ELECTION TO APPROVE A LOCAL EXCISE TAX
8 ON VACANT RESIDENTIAL UNITS, AS PROVIDED IN SECTION 29-2-117,
9 WITHIN THE BOUNDARIES OF THE AUTHORITY;

10 (h) LEVY, COLLECT, AND ENFORCE A LOCAL EXCISE TAX ON
11 VACANT RESIDENTIAL UNITS, AS PROVIDED IN SECTION 29-2-117, WITHIN
12 THE BOUNDARIES OF THE AUTHORITY ACCORDING TO THE TERMS OF AN
13 INTERGOVERNMENTAL AGREEMENT AMONG THE MEMBER LOCAL
14 GOVERNMENTS;

15 (i) COORDINATE AN ELECTION TO APPROVE A LOCAL AD VALOREM
16 PROPERTY TAX ON VACANT RESIDENTIAL PROPERTY, AS PROVIDED IN
17 SECTION 39-1-104.8, WITHIN THE BOUNDARIES OF THE AUTHORITY;

18 (j) ASSESS, LEVY, COLLECT, AND ENFORCE A LOCAL AD VALOREM
19 PROPERTY TAX ON VACANT RESIDENTIAL PROPERTY, AS PROVIDED IN
20 SECTION 39-1-104.8, WITHIN THE BOUNDARIES OF THE AUTHORITY
21 ACCORDING TO THE TERMS OF AN INTERGOVERNMENTAL AGREEMENT
22 AMONG THE MEMBER LOCAL GOVERNMENTS;

23 (k) CAUSE DELINQUENT TAXES MADE OR LEVIED BY THE
24 AUTHORITY TO BE CERTIFIED TO A TREASURER OF A COUNTY AND BE
25 COLLECTED AND PAID OVER BY THE TREASURER OF THE COUNTY IN THE
26 MANNER PROVIDED FOR IN THE INTERGOVERNMENTAL AGREEMENT; AND

27 (l) MAKE AND EXECUTE ANY AND ALL CONTRACTS,

1 INTERGOVERNMENTAL AGREEMENTS, AND OTHER INSTRUMENTS THAT IT
2 MAY DEEM NECESSARY OR CONVENIENT TO THE EXERCISE OF ITS POWERS
3 PURSUANT TO THIS PART 13.

4 (4) ARTICLES 10.5 AND 47 OF TITLE 11 APPLY TO THE MONEY OF AN
5 AUTHORITY.

6 (5) (a) IN THE EVENT THAT PROPERTY WITHIN THE BOUNDARIES OF
7 THE AUTHORITY MUST BE EXCLUDED FROM THE AUTHORITY DUE TO THE
8 PROPERTY'S ANNEXATION TO A LOCAL GOVERNMENT THAT IS NOT A PARTY
9 TO THE INTERGOVERNMENTAL AGREEMENT THAT FORMED THE
10 AUTHORITY, THE AUTHORITY'S BOARD OF DIRECTORS SHALL CREATE A
11 PLAN TO EXCLUDE THAT PROPERTY FROM THE BOUNDARIES OF THE
12 AUTHORITY. THE BOARD OF DIRECTORS SHALL INCLUDE IN THE PLAN:

13 (I) A DESCRIPTION OF THE PROPERTY TO BE EXCLUDED;

14 (II) THE EFFECTIVE DATE OF THE EXCLUSION OF THE PROPERTY;
15 AND

16 (III) ANY OTHER CONDITIONS AND OBLIGATIONS, ON THE
17 AUTHORITY OR THE LOCAL GOVERNMENT THAT IS NOT A PARTY TO THE
18 INTERGOVERNMENTAL AGREEMENT THAT FORMED THE AUTHORITY, THAT
19 ARE NECESSARY TO PERMIT THE EXCLUSION OF THE PROPERTY FROM THE
20 AUTHORITY.

21 (b) PROPERTY EXCLUDED FROM THE BOUNDARIES OF AN
22 AUTHORITY PURSUANT TO THIS SUBSECTION (5) IS SUBJECT TO THE LEVY
23 OF TAXES BY THE AUTHORITY FOR THE PAYMENT OF THE PROPERTY'S
24 PROPORTIONATE SHARE OF ANY INDEBTEDNESS OF THE AUTHORITY AND
25 THE INTEREST THEREON THAT EXISTED IMMEDIATELY PRIOR TO THE
26 EFFECTIVE DATE OF THE EXCLUSION.

27 (c) THE CHANGE OF BOUNDARIES OF AN AUTHORITY CAUSED BY AN

1 EXCLUSION OF PROPERTY PURSUANT TO THIS SUBSECTION (5) DOES NOT
2 IMPAIR OR AFFECT THE AUTHORITY'S ORGANIZATION OR ANY EXISTING
3 CONTRACT, OBLIGATION, LIEN, OR CHARGE.

4 (6) AN AUTHORITY THAT COORDINATES AN ELECTION AS
5 AUTHORIZED BY THIS SECTION SHALL CONDUCT THE ELECTION IN
6 SUBSTANTIALLY THE SAME MANNER AS MUNICIPAL OR COUNTY ELECTIONS,
7 AS APPROPRIATE, AND IN ACCORDANCE WITH THE PROVISIONS OF SECTION
8 20 OF ARTICLE X OF THE STATE CONSTITUTION. THE MUNICIPAL OR
9 COUNTY CLERK AND RECORDER OF EACH LOCAL GOVERNMENT IN WHICH
10 THE ELECTION IS CONDUCTED SHALL ASSIST THE AUTHORITY IN
11 CONDUCTING THE ELECTION.

12 (7) ANY PUBLIC BODY, FOR THE PURPOSE OF AIDING AN AUTHORITY
13 WHOSE BOUNDARIES ARE SITUATED IN WHOLE OR IN PART WITHIN THE
14 AREA IN WHICH THE PUBLIC BODY IS AUTHORIZED TO ACT, UPON TERMS AS
15 THE PUBLIC BODY DETERMINES, MAY:

16 (a) DO EVERYTHING NECESSARY TO AID OR COOPERATE WITH THE
17 AUTHORITY IN CONNECTION WITH THE PLANNING OR UNDERTAKING OF
18 ANY ACTIVITIES IN FURTHERANCE OF THE PURPOSES OF THIS PART 13; AND

19 (b) ENTER INTO AGREEMENTS WITH THE AUTHORITY RESPECTING
20 ACTION TO BE TAKEN PURSUANT TO ANY OF THE POWERS SET FORTH IN
21 THIS PART 13.

22 **SECTION 3.** In Colorado Revised Statutes, **add 39-1-104.8** as
23 follows:

24 **39-1-104.8. Authority to levy and assess additional ad valorem
25 tax on vacant residential real property - county - municipality -
26 election - legislative declaration - definitions.**

27 (1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT A

1 COUNTY OR MUNICIPAL AD VALOREM TAX DESCRIBED IN THIS SECTION
2 THAT IS ASSESSED AND LEVIED ON REAL PROPERTY CLASSIFIED AS VACANT
3 RESIDENTIAL PROPERTY DOES NOT VIOLATE THE UNIFORMITY CLAUSE OF
4 ARTICLE X, SECTION 3 (1)(a) OF THE STATE CONSTITUTION BECAUSE IT IS
5 A REASONABLE CLASSIFICATION BASED ON THE NATURE OF THE PROPERTY
6 AND ALL PROPERTIES WITHIN THIS CLASS ARE UNIFORMLY TAXED WITHIN
7 THE TAXING JURISDICTION, AS DESCRIBED IN *SENIOR CORP. V. BOARD OF*
8 *ASSESSMENT APPEALS*, 702 P.2d 732, 738 (COLO. 1985), AND *JENSEN V.*
9 *DENVER*, 806 P.2d 381, 384 (COLO. 1991).

10 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
11 REQUIRES:

12 (a) "SHORT-TERM RENTAL PROPERTY" MEANS PROPERTY THAT:
13 (I) IS LICENSED AS A SHORT-TERM RENTAL UNIT WITHIN THE
14 COUNTY, MUNICIPALITY, OR LOCAL HOUSING TAX AUTHORITY IMPOSING A
15 TAX PURSUANT TO THIS SECTION; OR

16 (II) (A) IS DESIGNED FOR USE PREDOMINANTLY AS A PLACE OF
17 RESIDENCY BY A PERSON, A FAMILY, OR FAMILIES; AND
18 (B) IS AVAILABLE TO BE LEASED FOR ONE OR MORE SHORT-TERM
19 STAYS.

20 (b) "SHORT-TERM STAY" MEANS OVERNIGHT LODGING THAT IS
21 PROVIDED TO AN INDIVIDUAL OR BUSINESS FOR LESS THAN THIRTY
22 CONSECUTIVE DAYS IN EXCHANGE FOR MONETARY PAYMENT.

23 (c) "VACANT RESIDENTIAL PROPERTY" MEANS PROPERTY THAT:
24 (I) IS DESIGNED FOR USE PREDOMINANTLY AS A PLACE OF
25 RESIDENCY BY A PERSON, A FAMILY, OR FAMILIES;
26 (II) IS UNOCCUPIED AND NOT USED AS A RESIDENCE FOR A
27 SPECIFIED AMOUNT OF TIME, AS DETERMINED BY THE COUNTY,

1 MUNICIPALITY, OR LOCAL HOUSING TAX AUTHORITY IMPOSING A TAX
2 PURSUANT TO THIS SECTION; AND

3 (III) IS NOT SHORT-TERM RENTAL PROPERTY.

4 (3) (a) EACH COUNTY IN THE STATE IS AUTHORIZED TO ASSESS,
5 LEVY, COLLECT, AND ENFORCE AN AD VALOREM TAX ON RESIDENTIAL
6 REAL PROPERTY THAT IS CLASSIFIED BY THE COUNTY AS VACANT
7 RESIDENTIAL PROPERTY. A TAX AUTHORIZED PURSUANT TO THIS
8 SUBSECTION (3) IS IN ADDITION TO ANY AD VALOREM TAX ASSESSED ON
9 RESIDENTIAL REAL PROPERTY IN THE COUNTY.

10 (b) A COUNTY SHALL NOT ASSESS OR LEVY AN AD VALOREM
11 PROPERTY TAX PURSUANT TO THE PROVISIONS OF SUBSECTION (3)(a) OF
12 THIS SECTION UNTIL THE PROPOSAL HAS BEEN REFERRED TO AND
13 APPROVED BY THE ELIGIBLE ELECTORS OF THE COUNTY IN ACCORDANCE
14 WITH THE REQUIREMENTS OF ARTICLE X, SECTION 20 OF THE STATE
15 CONSTITUTION.

16 (4) (a) EACH MUNICIPALITY IN THE STATE IS AUTHORIZED TO
17 ASSESS, LEVY, COLLECT, AND ENFORCE AN AD VALOREM TAX ON
18 RESIDENTIAL REAL PROPERTY THAT IS CLASSIFIED BY THE MUNICIPALITY
19 AS VACANT RESIDENTIAL PROPERTY. A TAX AUTHORIZED PURSUANT TO
20 THIS SUBSECTION (4) IS IN ADDITION TO ANY AD VALOREM TAX ASSESSED
21 ON RESIDENTIAL REAL PROPERTY IN THE MUNICIPALITY.

22 (b) A MUNICIPALITY SHALL NOT ASSESS OR LEVY AN AD VALOREM
23 PROPERTY TAX PURSUANT TO THE PROVISIONS OF SUBSECTION (4)(a) OF
24 THIS SECTION UNTIL THE PROPOSAL HAS BEEN REFERRED TO AND
25 APPROVED BY THE ELIGIBLE ELECTORS OF THE MUNICIPALITY IN
26 ACCORDANCE WITH THE REQUIREMENTS OF ARTICLE X, SECTION 20 OF THE
27 STATE CONSTITUTION.

24 (b) A COUNTY OR MUNICIPALITY MAY USE THE REVENUES
25 COLLECTED FROM A TAX IMPOSED PURSUANT TO THIS SECTION ONLY FOR
26 AFFORDABLE, ATTAINABLE, OR WORKFORCE HOUSING, AS DEFINED BY THE
27 COUNTY OR MUNICIPALITY. TO THE EXTENT THAT A COUNTY OR

1 MUNICIPALITY IS REQUIRED TO CONDUCT A HOUSING NEEDS ASSESSMENT
2 PURSUANT TO PART 37 OF ARTICLE 32 OF TITLE 24, THE REVENUES
3 COLLECTED FROM THE TAX MUST BE USED TO SUPPORT A DEMONSTRATED
4 NEED IDENTIFIED IN THE COUNTY'S OR MUNICIPALITY'S MOST RECENT
5 HOUSING NEEDS ASSESSMENT.

6 (8) A COUNTY ASSESSOR HAS NO DUTY IN IMPLEMENTING A TAX
7 ASSESSED AND LEVIED BY A COUNTY OR MUNICIPALITY PURSUANT TO THIS
8 SECTION. IN AN ASSESSOR'S DISCRETION, THE ASSESSOR MAY ASSIST BY
9 PROVIDING DATA AND INFORMATION TO A COUNTY, MUNICIPALITY, OR
10 LOCAL HOUSING TAX AUTHORITY AND MAY ENTER INTO AN
11 INTERGOVERNMENTAL AGREEMENT THAT PROVIDES FOR COMPENSATION
12 IN EXCHANGE FOR THE ASSESSOR'S ASSISTANCE.

13 (9) NOTHING IN THIS SECTION SHOULD BE CONSTRUED TO LIMIT
14 THE POWERS OF HOME RULE MUNICIPALITIES ORGANIZED UNDER THE
15 PROVISIONS OF ARTICLE XX OF THE STATE CONSTITUTION.

16 **SECTION 4. Act subject to petition - effective date.** This act
17 takes effect at 12:01 a.m. on the day following the expiration of the
18 ninety-day period after final adjournment of the general assembly (August
19 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
20 referendum petition is filed pursuant to section 1 (3) of article V of the
21 state constitution against this act or an item, section, or part of this act
22 within such period, then the act, item, section, or part will not take effect
23 unless approved by the people at the general election to be held in
24 November 2026 and, in such case, will take effect on the date of the
25 official declaration of the vote thereon by the governor.