



Legislation Text

File #: 23-395, **Version:** 2

Ordinance No. 23-62 Making and Certifying the 2023 Tax Levy for Taxes Payable in 2024 at 3.579 Mills (comprised of a general operating mill levy of 4.279 mills and a temporary tax credit of 0.70 mills) Upon Each Dollar of Assessed Valuation of All Taxable Property and a Tax Credit of 3.579 Mills Upon Each Dollar of Assessed Valuation of All Taxable Business Personal Property Within the Corporate Limits of the City of Colorado Springs

Presenter:

Charae McDaniel, Chief Financial Officer

Summary:

Per City Charter 7-40.Levy, the Council shall make by ordinance the proper levy in mills upon each dollar of the assessed valuation of all taxable property within the City, and shall thereupon cause the total levy to be certified to the County Assessor. Further, as provided by City Charter, the Colorado Constitution, and the laws of the State of Colorado, City Council grants a property tax credit on all taxable business personal property equal to one hundred percent (100%) of the gross mill levy. The attached Ordinance fulfills these requirements.

Background:

This item was first introduced with a different mill levy credit at Council Work Session on November 13, 2023 and had its first reading on November 14, 2023. Subsequent to that the State held a special legislative session and SB 23-23B-001 was passed. SB 23-23B-001 reduces the valuation of residential real property within the City, as a result the City reevaluated the temporary mill levy tax credit on real property. The temporary mill levy tax credit has been reduced from 0.93 Mills to 0.70 Mills.

For 2023, 3.579 mills is set as a tax levy for City purposes to be due and payable in and during the year 2024. This mill levy is comprised of a general operating mill levy of 4.279 mills and a temporary tax credit of 0.70 mills. Due to the reassessment of real property within the City during 2023 and the decrease in assessment rates due to SB 22-238 and SB 23-23B-001, the City anticipates exceeding the TABOR Property Tax limit by approximately \$6.2 million in 2024. To provide some property tax relief to citizens and to reduce the property tax revenue received by the City to below the TABOR Property Tax limit, the 2024 budget includes a temporary mill levy tax credit on real property of approximately 0.70 mills, or approximately \$6.2 million.

Previous Council Action:

The 2024 Budget was provided to City Council on October 2, 2023 and includes a Property Tax revenue amount of \$27,705,217. City Council held one budget work session and held one mark-up session to review and discuss the 2024 Budget.

Financial Implications:

The City's 2024 property tax revenue is budgeted for \$27,705,217.

City Council Appointed Board/Commission/Committee Recommendation:

N/A

Stakeholder Process:

Public input was received by City Council at a formal public hearing held on October 23, 2023.

Alternatives:

Per City Charter 7-40. Levy, if the Council fails in any year to make the tax levy, then the rate last fixed shall be the rate fixed for the ensuing fiscal year.

Proposed Motion:

Move approval of the attached ordinance making and certifying the 2023 tax levy for taxes payable in 2024 at 3.579 mills (comprised of a general operating mill levy of 4.279 mills, and a temporary tax credit of 0.70 mills) upon each dollar of assessed valuation of all taxable property and a tax credit of 3.579 mills upon each dollar of assessed valuation of all taxable business personal property within the corporate limits of the City of Colorado Springs.

An Ordinance setting the 2023 Tax Levy for Taxes Payable in 2024 at 3.579 Mills and a Tax Credit of 3.579 Mills on All Taxable Business Personal Property Within the Corporate Limits of the City of Colorado Springs