**Residential Valuation FAQ**

**Why do we have property assessments?**

The Colorado Constitution and state laws of Colorado established real and business personal property assessment procedures and requirements. The values determined by the Assessment Division for real and personal property are used in the calculation of property tax bills. The revenue raised through these property taxes is used to help pay for all public services including police, schools, libraries, and fire protection.

**When will I receive my notice?**

Property owners in Colorado should have received their 2023 Real Property Notice of Valuation via the U.S. Post Office. If you haven’t received it yet, call the assessor’s office. Property owners do not need to do anything to receive property valuations.

**How is my property valued by the assessor’s office?**

All property (residential, farm/ranch, commercial, etc.) valuations are based on the market approach to value. This year’s valuations are based on appraisal data from the 18-month period ending June 30, 2022. In other words, the current valuation is based on sales during the high point of the recent market upturn and increase in prices. Your property valuation will almost certainly have increased; the degree of the increase will vary depending on the local market. The Colorado General Assembly sets the appraisal date, the market sales data collection period, and the annual calendar for the assessment process.

**Has anything changed this year?**

The Colorado Legislature has provided an actual value exemption of $15,000 for residential properties and $30,000 for improved commercial property. These actual valuation exemptions are not reflected in the Notice of Valuation but are applied before the tax bills are sent. The amount on notices is the amount property owners will pay.

**What about mill levies?**

Tax calculations also take mill levies into account. Mill levies are established by the county commissioners, school districts and board of entities such as municipalities, fire, recreation, or libraries. More information will be on the Notice of Valuation. Always call the tax assessor’s office if you have questions.

**How does land assessment play into my value?**

Unimproved land assessment rates and valuations depend on the property classification. A vacant residential or commercial lot is valuated differently than lots used for agriculture or grazing. Vacant land is commonly valued by the market approach, while grazing or agricultural land is valued by the carrying capacity or income approach. The varied uses create marked differences in valuation, as well as slight differences in assessment rate. Ask about an agricultural land classification questionnaire for more information.

**What if I disagree with the value that the assessor has assigned to my property?**

If a taxpayer disagrees with the value assigned by the assessor, the taxpayer may file a protest during the statutory protest period. Real property protests must be postmarked no later than June 8, 2023, or a taxpayer may appear in person to protest no later than June 8. According to state law, 39-5-121(1), C.R.S., personal property protests must be postmarked no later than June 30, 2023, or a taxpayer may appear in person to protest no later than June 30. A protest form is included with the Notice of Valuation; however, it is not mandatory for the taxpayer to use this form, or any other specific form, when filing a protest of the valuation.

**What happens after I appeal?**
All personal inquiries and letters/faxes received during the protest period are processed and reviewed. The assessor's staff corrects all erroneous or improper valuations. If the assessor determines that the value is correct, no adjustments are applied. In each determination, the assessor includes the reason(s) for denial and information regarding the taxpayer's right of appeal to the County Board of Equalization.

**When do assessments happen?**

Assessments occur every two years.

**What years are currently being valued?**

Jan. 1, 2021, to June 30, 2022, is the timeframe the assessor’s office is using. The timeframe is set by the state legislature.

**What is the difference between “assessed” value and “actual” value?**

The Assessor determines the "actual" (market) value for all real and personal property. Actual value is then reduced by a percentage to derive the "assessed" value. [See table here](file:///%5C%5Cpld-data%5Cuser_data%24%5Caflatt%5CDesktop%5Ctable%201.1.pdf).

**How is my property assessed?**

For residential properties, division appraisers study the sales of homes similar to yours which sold within a specific 18-month period. For commercial and industrial properties, the cost, market, and income approaches are considered and for business personal property, values are based on the asset information submitted directly by business owners.

**How do I know what the assessor's actual value is for my property?**

A property owner must be sent a Notice of Valuation every other year unless there has been a change in their property. This notice must be mailed no later than May 1.  The notice includes the actual value that the assessor’s office has assigned to the property. This Notice of Valuation is not a tax bill. The purpose of this notice is to inform you of any change in your property valuation and advises you of your right to appeal the value.

**Are there special exemptions if you qualify?**

Yes, senior citizens, disabled veterans and surviving spouses of disabled veterans are all eligible for special exemptions. Details are on the back of your property tax notification. Veterans and Gold Star spouses must apply for property exemptions through the Division of Veterans Affairs, while seniors may apply through the assessor’s office. Seniors must be 65 years old as of Jan. 1, 2023, and must have owned or lived in their house as their primary residences for 10 years or more. The exemption removes half of the first $200,000 of property’s actual value from taxes.

**Anything else?**

Be patient with the assessor’s office. They are working hard to do their job for the community and to answer any questions.