

HOW PROPERTY TAXES ARE CALCULATED

Property taxes in Colorado are paid in arrears. The Tax Notices mailed out in January each year reflect the property tax due for the prior year. The tax is calculated using a property's actual value and multiplying by the assessment rate to arrive at the assessed value. The assessed value is then multiplied by the mill levy. The current 2021 Residential Assessment Rate is 7.15% and the Non-Residential Assessment Rate is 29%. The rates are calculated and approved by State Legislators. Senate Bill 21-293 made a temporary (two year) change to the assessment rates for some subclasses of property. Effective for 2022 and 2023 Agricultural Property and Renewable Energy Property will be assessed at 26.4% of actual value; Multi-Family Residential Property will be assessed at 6.8% of actual value; and all other Residential Property will be assessed at 6.95% of actual value. After 2023 the assessment rates will revert to 7.15% for Residential Property and 29% for all other property, unless there is a bill to extend or modify SB 21-293.

2022-2023 Multi-Family Residential Example Actual Value \$100,000 Assessment Rate 6.8%
Assessed Value $100,000 \times .068 = \$6,800$

2022-2023 All Other Residential Example Actual Value \$100,000 Assessment Rate 6.95% Assessed Value $100,000 \times .0695 = \$6,950$

2022-2023 Agricultural & Renewable Energy Example Actual Value \$100,000 Assessment Rate 26.4% Assessed Value $100,000 \times .264 = \$26,400$

2022-2023 All other Non-Residential Property Excluding Producing Oil & Gas Actual Value \$100,000 Assessment Rate 29% Assessed Value $100,000 \times .29 = \$29,000$

The assessed value is then multiplied by the mill levy to calculate the actual tax amount seen on the tax notice. The total mill levy is determined by which tax district a property is located in. For the purpose of this example we will use tax district 11A, which is the majority of the Canon City limits.

2022-2023 Multi-Family Residential Example Assessed Value \$6,800 x Mill Levy 84.007 (.084007) = Tax Amount \$571.24

2022-2023 All Other Residential Example Assessed Value \$6,950 x Mill Levy 84.007 (.084007) = Tax Amount \$583.85

2022-2023 Agricultural & Renewable Energy Example Assessed Value \$26,400 x Mill Levy 84.007 (.084007) = Tax Amount \$2,217.78

2022-2023 All Other Non-Residential Excluding Producing Oil & Gas Assessed Value \$29,000 x Mill Levy 84.007 (.084007) = Tax Amount \$2,436.20