

Property taxes and property values during a pandemic

A note from Jefferson County Assessor Scot Kersgaard

In the Assessor's office, we hear from taxpayers every day. Lately, people are asking whether we can reduce their property valuation and taxes based on the economic impact of COVID-19.

The short answer is that we cannot lower any property values today based on what we think may be happening in the market. If values do go down for any reason, that will be reflected in the Notices of Value (NOVs) that we send in May 2021.

For property tax purposes, real property value in Colorado is determined on a two-year cycle. Under Colorado law, 2020 real property assessments reflect market value as of June 30, 2018. Property owners will only receive a Notice of Value this May if their property value changed due to the creation of a new lot or subdivision, new construction, an addition or remodel or other physical changes to an existing property.

Unfortunately, unless there is a change in our State Constitution or statutes, our hands are tied this year. We cannot accept appeals based on taxes or effects on property value due to the present pandemic. As it stands now, the economic impacts of the current pandemic will be addressed in the 2021 revaluation of all real property.

Real property values for the 2021 reappraisal will be based on market data as of June 30, 2020 unless there is a legislative directive to do otherwise.

County Assessors in the state recognize the impact the COVID 19 pandemic has had on the Colorado economy this year. However, assessors do not have the authority to adjust current market value.

In Colorado, property owners pay property taxes in arrears, meaning people are currently paying their 2019 taxes, which are determined based on the value of their property on June 30, 2018. That's the law. County officials have no discretion in the matter.

2020 taxes will be paid in 2021, and those taxes will also be based on the valuation of property as of June 30, 2018.

In May of 2021, every property owner in Jefferson County—and in Colorado—will get a notice of value that reflects what their property was worth on June 30, 2020. The taxes people pay in 2022, which will be for tax year 2021, will reflect any change in value that occurred through June 30, 2020.

At this point the Assessor's office does not know whether property values will be higher or lower than they were on June 30, 2018. We are currently collecting the data that will be used to make these determinations.

While many people look to their county government for relief from property taxes, most of those tax dollars do not go to the County. The County Treasurer collects taxes and then disburses the money to each of the taxing entities in the County according to their duly approved mill levies.

Jefferson County keeps less than 25% of the money it collects from property taxes. About 50% goes to the Jefferson County School District. The final 25% goes to fire districts, water districts, sanitation districts, recreation districts, special districts, and cities.