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FISCAL IMPACT REPORT

ORIGINAL DATE 01/27/12

SPONSOR Eichenberg LAST UPDATED _____ HB _____

SHORT TITLE Annual Property Valuation Limits SB 145

ANALYST Smith

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY12	FY13	FY14		
		(\$10,000.0)-(\$20,000.0)	Recurring	General obligation bond capacity

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

No Response From:

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of Bill

This bill would (1) extend the three percent limit on annual property tax valuation increases to properties that have been sold; (2) value newly-constructed residential property at less than its current and correct value using an average ratio of assessed value to market value for the county; (3) “rollback” the assessed value of properties that changed ownership between 2004 and 2012 to their value from before the change of ownership plus growth of no more than percent per year; (4) rollback the assessed value of properties newly-constructed during 2004 to 2012 to a value based on the average ratio of assessed value to market value at the time of construction grown by no more than 3 percent per year. County assessors would be required to value property annually rather than having the option of valuing every other year.

Effective Date: January 1, 2013 for all provisions. This would affect property taxes for the 2013 tax year due in November 2013 and April 2014.

FISCAL IMPLICATIONS

This estimate was derived from GOB bonding models and will be updated pending a TRD analysis. Analysts believe the range is roughly accurate. This rollback will also affect other beneficiaries of the property tax such as local governments.

SS/svb