



Please Vote YES on HB22-1006

Non-Profit Child Care Center Property Tax Exemption **Sponsors: Reps. Roberts & Van Winkle, Sen. Donovan & Smallwood**

HB22-1006 allows property owners that lease space to a non-profit child care center to claim the property tax exemption.

Background:

Under current law, a property owner may qualify for the child care center property tax exemption only if the owner is a non-profit corporation. Because of this, many non-profit child care centers either own their own buildings or are located in churches or schools – both of which are property owners that are already exempt from property taxes. Most non-profit child care centers serve children, families, and communities furthest from opportunity, however; they are also often viewed as a tenant that is higher risk and more costly to lease to.

Section 5 of article X of the state constitution provides that property that is used solely and exclusively for strictly charitable purposes is exempt from property tax, unless otherwise provided by law. Child care is a critical component to the provision of governmental public services and is closely tied to economic development and security for Coloradoans. As such, a narrow exemption (which is the purview of the state legislature) from the requirement that property must be owned by a non-profit will help expand child care opportunities in our state and help Colorado make progress on economic development and security public policy goals.

Problem:

Colorado has seen a reduction in access and affordability of child care over the last few years. While much of this is due to COVID, other pressures such as the cost of real estate, the cost of providing quality care, and the reimbursement of child care providers have also played a role. The lack of child care has a direct impact on a caretaker's decision and ability to re-enter and remain in the workforce. As many communities across the state strive to recover from the pandemic, lack of workforce and lack of access to quality, affordable child care continue to be cited as core economic issues.

Solution:

HB22-1006 will incentivize additional property owners to lease space to non-profit child care centers and may result in some of those savings being passed on to the provider, which may also result in cost savings for parents and higher wages for early childhood educators.

Please Support HB22-1006

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Supporting Organizations

Colorado Counties, Inc.
Executives Partnering to Invest in Children (EPIC)
Women's Foundation of Colorado