



2023 Legislative Issue Form

To propose a CCI legislative issue, please complete this form.

Feel free to use more than one page and include any supplemental materials.

1.) **Contact Information** (of person bringing forth issue):

- a. **Name:** Kelly McNicholas Kury
- b. **Title:** County Commissioner
- c. **County:** Pitkin
- d. **Phone Number:** 970-319-0219
- e. **E-Mail Address:** kelly.mcnicholas@pitkincounty.com

2.) **Issue/Problem to be addressed** (What is the problem this legislation is seeking to solve?)

Ability for Local Governments to Implement a Real Estate Transfer Tax with voter approval

3.) **Background on this Issue/Problem** (How did this come to be? Why are you seeking a legislative remedy?)

The passage of the Taxpayers' Bill of Rights in 1992 prohibited the creation of new Real Estate Transfer Taxes (RETTs) or increased rates for existing RETTs. This provision in TABOR removed the ability of voters statewide, and in local jurisdictions, to consider RETTs even with voter approval. While RETTs may not be an appropriate revenue source for all communities, counties and municipalities should be allowed to request approval of RETTs from their voters. RETTs (also known as "real property transfer taxes") are sales taxes most often used as general revenue. However, RETTs, can be devoted to specific uses such as affordable housing, preserving open space, marketing resort amenities, etc. When RETTs are used in a community receiving an influx of investment, they can be a powerful form of value recapture, raising additional revenue as investment bolsters land value. RETTs are an especially important tool for Colorado's resort communities, which typically have high levels of second homes, high property values and high service needs. Resort communities require a broad base of service workers who often require additional services and affordable housing to remain in the community. RETTs provide a potential revenue source to local governments to provide necessary infrastructure and services that protect the vibrancy of service based economies, especially in resort communities with high numbers of second homes. This change would enable local entities to enact a RETT with voter approval, and provide another financial tool for local jurisdictions to provide critical community services. Such language could be drafted so as to exempt a certain value or percentage of real estate value in order to maintain affordability for primary homebuyers and small businesses.

4.) **Proposed Solution/Legislative Remedy to this issue.**

Lobby Legislature to refer a statewide ballot measure to the 2023 ballot to amend TABOR to remove language in TABOR prohibiting new or increased RETTs

5.) **Have you explored a non-legislative solution to this problem?**

Yes. Only an amendment to TABOR will allow for a RETT.

6.) **Statutory Citation to be modified AND proposed/revised language (The Colorado Revised Statute is available for free at [this link](#), by selecting "Colorado Revised Statutes").**

Article X, Colorado Constitution

7.) **Relationship of this issue to County Commissioner's roles and/or authorities.**

Authority to raise revenues for county services

8.) **Has this proposal been approved by the Board of County Commissioners?**

Yes

9.) **List any potential Proponents/Opponents & their perspective; indicate any groups/individuals with whom you have already discussed this issue.**

Please submit this completed form to Katie First at kfirst@ccionline.org

By Friday, July 8.



Real estate transfer taxes can be an important tool for land conservation, affordable housing development and community marketing/economic development. Supporters are advocates for those issues listed above; counties, and municipalities; and proponents of local control. Opponents are likely to be: pro-TABOR advocates, those in the real estate and lending business including realtors and real estate associations, and mortgage brokers.

10.) **Have you visited with your legislator(s) about this proposal? What was their reaction? Are members of your delegation likely to sponsor, support, or oppose this proposal?**

Many times in the past, not recently.

11.) **Anticipated Fiscal Impact (to counties, state, other stakeholders, etc.).**

None to local jurisdictions. Localities that wish to pursue a campaign to support the ballot measure or to subsequently campaign for a local RETT may choose to expend funding in support of these efforts.

12.) **Please list the local subject matter experts CCI staff can follow-up with for more information on this proposal.**

Pitkin County Manager, Pitkin County Finance Director, Pitkin County Commissioners

13.) **If your county is submitting multiple issue forms, please rank each issue.**

This is the only issue for consideration for the 2023 session.

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By Friday, July 8.**