

Property Tax Increases for 2023 / 2024 Will Be Limited by TABOR in Some Jurisdictions

A couple weeks ago in this column, I warned homeowners that the current rise in home values means a proportionate increase in property valuations as of June 30, 2022, and therefore a likely rise in property taxes for 2023 and 2024.

I wrote that because of a typical 30% increase in what your home could have sold for on June 30, 2022, versus June 30, 2020, your property taxes could increase by 30%, but that didn't take into account the effect of the Taxpayer Bill of Rights, or TABOR, which restricts how much revenue

each tax jurisdiction can keep to population growth plus the increase in the cost of living.

Under TABOR, if a taxing jurisdiction collects more than that formula allows, it must refund the excess to the taxpayers.

However, many (but not all) jurisdictions obtained voter approval to keep any excess revenue. The term for this common ballot measure is "de-Brucing," after Douglas Bruce, the author of TABOR.

All but two counties passed such ballot measures and won't have to

refund their excess revenues to taxpayers — or, more commonly, reduce their mill levies so they only collect the allowed amount of revenue. Jefferson County is one of those counties that has not de-Bruced, so Jeffco will likely reduce its mill levy for 2023 and 2024 to limit their property tax revenue despite the increase in valuations.

In any county, however, the biggest mill levy is that of the school district, and, again, most school districts, including Jeffco's, have de-Bruced and can enjoy the coming windfall in revenue by not reducing their mill levies.

Any given property's mill levy is

the sum of individual mill levies from multiple taxing jurisdictions. You can see all those mill levies by looking for your property on the country assessor's website. For example, in Jeffco, you'd go to <http://propertysearch.jeffco.us>. In other counties, just Google the county's name + "assessor."

For any given address, you're likely to find between 5 and 15 different jurisdictions with individual mill levies. In unincorporated areas of Jefferson County, for example, you'll find separate mill levies for the county, for Jeffco schools, for the county sheriff ("law enforcement"), for your local water district, local park district, local fire district, RTD, storm water and flood control district, etc.

As an aside, a lot of people think that "unincorporated" translates to lower property taxes, but the opposite is true. Consider the following: the West Metro Fire District, serving much of Lakewood, collects about 13.2 mills from property owners in its taxing district — and that's just for fire protection. Meanwhile, the City of Golden's current mill levy is less than that (12.34 mills) and includes *all* municipal services — fire, police, parks and recreation, and more. Golden may have higher real estate prices, but our real estate is taxed at a lower rate than in most other areas.



Here's How the National Association of Realtors Advises Its Members on How to Handle Multiple Offer Situations

Many buyers and sellers and their agents have to deal with competing offers for new listings. The Colorado Real Estate Commission has offered no guidance on how to deal (or not deal) with multiple offer situations. Below, however, is NAR's guidance based on the articles and Standards of Practice from the Realtor Code of Ethics. Note: The Code only applies to Realtors, and roughly half of licensed real estate brokers are not members of their local Realtor association.

"When representing a buyer, seller, landlord, tenant, or other client as an agent, Realtors® pledge themselves to protect and promote the interests of their clients. This obligation to the client's interests is primary, but it does not relieve Realtors of their obligation to treat all parties honestly." (from Article 1 of the 2014 Realtors Code of Ethics)

"Realtors shall submit offers and counter-offers objectively and as quickly as possible." (Standard of Practice 1-6)

Perhaps no situation routinely faced by Realtors can be more frustrating, fraught with potential for misunderstanding and missed opportunity, and elusive of a formulaic solution than presenting and negotiating multiple purchase or lease offers and/or counter-offers on the same property. Consider the competing dynamics. Listing brokers are charged with helping sellers get the highest price and the most favorable terms for their property. Buyers' brokers help their clients purchase property at the lowest price and on favorable terms. Balanced against

the Code's mandate of honesty is the imperative to refrain from making disclosures that may not, in the final analysis, be in a client's interests. (Revised 11/01)

Will disclosing the existence of one offer make a second potential purchaser more likely to sign a full price purchase offer—or to pursue a different opportunity? Will telling several potential purchasers that each will be given a final opportunity to make their best offer result in spirited competition for the seller's property—or in a table devoid of offers? What is fair? What is honest? What is to be done? Who decides? And why is there not a simple way to deal with these situations? As Realtors know, there are almost never simple answers to complex situations. And multiple offer presentations and negotiations are nothing if not complex. But, although there is not a single, standard approach to dealing with multiple offers, there are fundamental principles to guide Realtors. While these guidelines focus on negotiation of purchase offers, the following general principles are equally applicable to negotiation of lease agreements. (Revised 11/01)

Be aware of your duties to your client — seller or buyer — both as established in the Code of Ethics and in state law and regulations. (Revised 5/01)

The Code requires you to protect and promote your client's interests. State law or regulations will likely also spell out duties you owe to your client. The Code requires that you

be honest with all parties. State law or regulations will likely spell out duties you owe to other parties and to other real estate professionals. Those duties may vary from the general guidance offered here. Realtors need to be familiar with applicable laws and regulations. Be aware of your duties to other parties — both as established in the Code of Ethics and in state law and regulation. Remember that the decisions about how offers will be presented, how offers will be negotiated, whether counter-offers will be made and ultimately which offer, if any, will be accepted, are made by the seller — not by the listing broker. (Revised 5/01)

Remember that decisions about how counter-offers will be presented, how counter-offers will be negotiated, and whether a counter-offer will be accepted, are made by the buyer — not by the buyer's broker. (Adopted 5/01)

When taking listings, explain to sellers that receiving multiple....

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