

Thank you, Mr. Chair, and members of the committee, for considering my written testimony. My name is Casie Stokes, and I'm the Administrator of the Board of Assessment Appeals – or BAA, for short. I am writing on behalf of the BAA on its position that this bill should be amended.

The BAA decides property valuation and classification disputes between counties and taxpayers. We're a quasi-judicial tribunal, and our hearing officers are experienced, licensed appraisers. Following the county levels of review, a taxpayer has the choice of appealing to the BAA, district court, or binding arbitration. We are the most chosen option, and in recent years have resolved between 2,000 and 6,000 cases per year. We conduct evidentiary hearings in a trial-like manner, but our administrative nature and specialized jurisdiction allow for more flexibility than is permitted at district court, and we are able to resolve our high-volume case load quickly, which would not be possible if the strict, formal procedures of district courts were applied.

This leads me into the first of three areas of concern to us, where the bill would change how the BAA works, and that is allowing for the removal of cases from the BAA to district court under certain broad criteria. If removal criteria are added to the statute, they need to be narrow and well-defined. The four proposed criteria are so broad that they create the potential for the removal of all the BAA's nonresidential appeals, between 2,000 and 4,000 per year. And because some taxpayers will contest removal, we will end up needing to resolve removal disputes. In addition, we think the public is well-served by allowing the BAA to retain its current jurisdiction. When appeals are decided by the BAA it respects the taxpayers' choice of a less expensive and less burdensome forum, allows complex appraisal matters to be decided by appraisers, cultivates uniformity across the state on common issues, and promotes timely case resolution.

Second, the bill does not make it clear whether the BAA would have a role in determining penalties for taxpayers providing false information or failing to provide information at the county level. We want to ensure the BAA is not tasked with this. We wish to avoid the additional administrative burden, and we want to maintain clarity around our role as a de novo level of appeal, where we specifically do not look back at the record created at the county, and both parties can present new and different evidence to the BAA than what was presented below.

Third and last, in the bill as drafted the BAA is asked to determine whether a property owner has engaged in certain defined behavior resulting in the waiver of their right to penalty interest. The BAA wishes to avoid the new and contentious area of fact finding this would create and remain focused on its role of efficiently resolving appeals.

The BAA understands that an amendment will be proposed that will resolve these concerns. Thank you again.



Town of Minturn, Colorado
302 Pine St.
Minturn, CO 81645

March 18, 2026

The Honorable Members of the Colorado General Assembly

Re: Town of Minturn Support for HB 26-1233 – Property Tax Procedures for Nonresidential Properties

Dear Members of the General Assembly,

On behalf of the Minturn Town Council, I am writing to express the Town's support for House Bill 26-1233, concerning property tax procedures for nonresidential properties.

HB 26-1233 provides important tools to improve transparency, consistency, and fairness in the property valuation and appeal process for commercial properties. The bill establishes civil penalties for willfully providing false or incomplete information, allows certain complex cases to be transferred to district court when appropriate, and limits the ability to receive statutory interest on refunded taxes when a taxpayer has provided inconsistent or misleading information or intentionally delayed the appeal process. Ensuring the integrity of this process is important not only for local governments, but also for maintaining fairness across all property taxpayers.

From the Town's perspective, these changes are important to ensure that all taxpayers are held to consistent standards and that the valuation process is based on accurate and reliable information. Property tax revenues are a critical funding source for local governments, supporting essential services and infrastructure. When valuation appeals rely on incomplete or inconsistent data, it can create inequities and uncertainty that affect both counties and municipalities that rely on the same tax base.

The Town of Minturn appreciates Eagle County's leadership in bringing this issue forward and supports efforts to strengthen the integrity of the property tax system. HB 26-1233 represents a balanced approach that maintains the right to appeal while discouraging practices that undermine the accuracy and fairness of the process.

Approved by motion of the Minturn Town Council on March 18, 2026.

Thank you for your consideration of this legislation and for your continued service to Colorado communities.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Gutierrez".

Rob Gutierrez
Town Manager
On behalf of the Minturn Town Council
Town of Minturn, Colorado

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HB26-1233

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Testimony Before the Colorado House Finance Committee

To: Chair and Members of the House Finance Committee

From: Mark Chapin, Eagle County Assessor

Date: March 19, 2025

Re: Support for HB26-1233 – Promoting Equity in Property Tax Valuations

Opening

Chair and members of the Committee, thank you for your time and for your service. I am here today to ask for your support of HB26-1233 because it addresses a fundamental issue of fairness in Colorado's property tax system.

At its core, this bill is about equity—ensuring that all property owners are treated consistently under the law.

The Core Issue: Uneven Compliance Creates Unequal Outcomes

In Eagle County, we are responsible for valuing thousands of commercial properties, including some of the most valuable resort assets in the country. For many of these properties, the income approach is the most accurate method of valuation—meaning we rely heavily on financial data provided by property owners.

However, less than half of lodging property owners submitted required income data by our requested deadline in the most recent cycle.

This creates a two-tiered system:

- Property owners who comply on time are valued using their actual financial performance.
- Those who do not comply are initially valued using industry averages—and may later submit revised data during appeals to reduce their valuations.
- Some property owner representatives withhold or re-interpret actual operating data during the initial assessment phase, forcing the Assessor to use the "best information available". These agents then present contradictory data at the Board of Assessment Appeals (BAA) in an attempt to secure drastically lower values. Furthermore, if they are successful in receiving a reduction at BAA, they are entitled to interest earned on the "overpaid" taxes. This essentially incentivizes the practice of providing inaccurate information.

The result is not just administrative inefficiency—it is inequity.

Why This Matters to Your Constituents

When some property owners delay or withhold critical data, the burden does not disappear—it shifts.

It shifts onto:

- Small businesses that comply with reporting requirements
- Local property owners who play by the rules
- Communities and governmental entities which depend on stable and predictable tax bases

This is not a theoretical problem. It directly affects how fairly the tax burden is distributed across your districts.

Market Reality vs. Appeal Outcomes

Eagle County's resort properties consistently command some of the highest values in the nation, with sales often exceeding \$900,000 per room for premier lodging properties, and with Retail and office properties selling in the \$900 to \$2500 per square foot range.

Yet, when valuations are adjusted late in the process based on newly submitted or inconsistent financial data, those outcomes can diverge significantly from clear market evidence.

That disconnect undermines confidence in the system—not just for assessors, but for taxpayers.

Why HB26-1233 Is the Right Fix

HB26-1233 does not raise taxes and does not change valuation methods.

What it does is simple and reasonable:

- Encourages timely and complete data submission
- Reinforces consistency in the valuation process
- Reduces opportunities for strategic delay during appeals

In short, it strengthens the integrity of the system without adding unnecessary burden.

Operational Reality

Our office is required to complete valuations by April 15 to meet the statutory May 1 deadline for Notices of Value.

When a significant portion of property owners fail to meet deadlines, it limits our ability to produce accurate, equitable assessments for everyone—no matter how diligent we are.

This bill helps ensure that the system functions as intended.

Closing

This is not about increasing taxes. It is about ensuring that the rules apply equally to everyone.

HB26-1233 promotes fairness, transparency, and accountability—principles that are essential to maintaining public trust in our property tax system.

I respectfully ask for your support.

Thank you for your time and consideration.

Testimony Before the Colorado House Finance Committee

TO: Chair and Members of the House Finance Committee

FROM: Mark Chapin, Eagle County Assessor

DATE: March 2025

RE: Support for HB26-1233 – Promoting Equity in Property Tax Valuations

Opening Statement

Good evening, Chair and members of the Committee. I am writing to address a critical issue of tax equity in Eagle County. Our mission in the assessor's office is to ensure every property owner—from local residents to global luxury resorts—receives fair and equitable valuation. Over the past ten years, inconsistencies in submitted data have increasingly challenged that mission.

The Problem: Inconsistent Data Submission

In Eagle County, we value more than 35 major lodging properties and another 4,090 commercial properties county wide in which we consider all three approaches to value, cost, market and income. We primarily use the income approach to value most of those properties, oftentimes due to a lack of adequate sales. For the 2025 cycle, 45% of the lodging owners and many of the commercial owners met the mandatory February deadline for submitting income data to our office. We depend on the timely response to these questionnaires in order to place value on the various classes of commercial property.

- **The Challenge:** In some cases, when pertinent data is not submitted timely during reappraisal years, our office must rely on market publications Real Estate Broker information and averages income and expense data from these multiple sources. These sources include but are not limited to the Real Estate Mult list data, CO-STAR and other miscellaneous subscribed publications. Many times, income data is introduced by property owners or agents later or during the appeals process, which can result in significant valuation adjustments. All the data submitted from property owners and agents is held confidentially by the county and is not shared with the public.
 - **The Inequity:** This process can create disparities, where those who submit complete and timely data may bear a higher relative tax burden compared to those whose valuations were determined by industry averages. We very often receive multiple profit and loss statements during the appeal process which lead to uncertainty as to the reliability of any of the income information submitted.
-

The Reality: Strong Market Indicators

Eagle County properties are among some of the most valuable in the world, yet appealed valuations do not always reflect broader market indicators.

- **Sales Benchmarks:** Over the past decade, properties such as the Four Seasons Resort Vail and the Park Hyatt Beaver Creek Resort and Spa have sold for approximately \$121 million and \$145 million, respectively—exceeding \$900,000 per room. The Christiania/Sitzmark Lodge sold for \$29.7 million or \$1,350,000 per room. Retail and office properties sold in the resort market from \$900,000 or \$860 per square foot to \$8.3 million or \$2489 per square foot. Most of these types of property are income producing and therefore sell based on the ability to produce an income.
 - **The Disconnect:** Valuation outcomes that rely on late-submitted or revised data may diverge from these recorded market transactions.
-

The Solution: Why HB26-1233 is Necessary

HB26-1233 introduces measures designed to promote consistency, transparency, and fairness in the valuation process:

The Call to Action: Operational Integrity

The assessor's office must complete all valuations in any re-appraisal year by April 15 to meet the statutory May 1 deadline for issuing Notices of Value. When a significant portion of commercial properties do not submit data within the established timeline, it complicates the ability to deliver accurate and equitable assessments countywide.

Conclusion

We are not asking for higher taxes; we are asking for consistency, transparency, and equity. We respectfully urge your support of HB26-1233 to ensure that Colorado's resort properties are valued based on complete and timely information that reflects actual performance.

Written Testimony in Opposition to HB26-1233

House Finance Committee
March 19, 2026

Chair and Members of the Committee:

My name is Kendra Goldstein. I am a Colorado attorney and property tax practitioner representing taxpayers across the state in valuation appeals involving nonresidential real property. I write in opposition to House Bill 26-1233.

1. The Bill Imposes Criminal Penalties That Will Chill Lawful Appeals

As amended, HB26-1233 converts alleged inaccuracies in valuation-related information into a criminal matter, making it a petty offense punishable in county court if a taxpayer “willfully” submits information that is not true in every material respect. This is a fundamental shift.

Property tax appeals - particularly for income-producing properties - are inherently complex. Valuation involves judgment, estimates, evolving data, and professional interpretation. It is common and appropriate for information to be refined, supplemented, or clarified as part of the appeal process. Criminalizing these dynamics creates a chilling effect:

- Taxpayers will hesitate to exercise their right to appeal;
- They may avoid submitting information altogether;
- Or they may be pressured into settling rather than risk prosecution.

This is not a theoretical concern, as this directly impacts taxpayers’ access to due process.

2. The Bill Creates a New Enforcement Mechanism That Can Be Used as Leverage

The amendment explicitly authorizes county attorneys to prosecute these cases in county court. This introduces a parallel enforcement track outside the administrative appeal process:

- A valuation dispute can now trigger criminal exposure;
- Counties gain leverage to threaten prosecution during negotiations;
- Taxpayers face the risk of defending both a valuation appeal and a criminal proceeding.

This imbalance fundamentally alters the nature of the appeal system. What should be a neutral fact-finding process becomes adversarial in a way that disproportionately disadvantages taxpayers.

3. The Bill Does Not Clearly Define When a “Written Declaration” Is Required

The bill ties liability to information that is “verified by a written declaration”.

However:

- It is unclear when such a declaration is required;
- Whether it is mandatory in all submissions or only upon request;
- Or whether counties may selectively require it.

This ambiguity creates uncertainty and risk for taxpayers—particularly those who are unrepresented and unfamiliar with the system.

4. Existing Law Already Addresses Fraud—This Is Unnecessary

Colorado law already provides remedies for fraud and intentional misrepresentation. HB26-1233 does not fill a gap—it duplicates and expands enforcement into routine valuation disputes, where disagreements are often about:

- Methodology,
- Timing of data,
- Market interpretation,
- Or incomplete information.

By layering criminal penalties onto these disputes, the bill risks punishing ordinary valuation differences rather than true fraud.

5. The Bill Increases Cost and Complexity for Taxpayers

The bill introduces multiple new cost drivers:

- Exposure to criminal defense costs;
- Potential litigation in county court in addition to BAA proceedings;
- Increased need for legal counsel even in straightforward cases.

Even prior to this bill, the cost of pursuing an appeal before the Board of Assessment Appeals is already significant. This proposal raises the stakes to a level that will deter participation—especially for smaller property owners.

6. The Bill Undermines the Accessibility of the Appeals Process

Many taxpayers navigate the appeals system without representation.

This bill:

- Adds legal complexity,
- Introduces criminal risk,
- And creates procedural ambiguity.

As a result, it disproportionately harms:

- Small business owners,
- Individual investors,
- And taxpayers without access to professional advisors.

Rather than improving the system, it makes it less accessible and less fair.

7. The Bill Does Not Advance a Clear Statewide Interest

The stated purpose appears to be addressing misinformation. However:

- There is no demonstrated systemic issue requiring criminal penalties;
- Existing mechanisms already allow assessors to request, verify, and challenge information;
- The bill does not meaningfully improve valuation accuracy or fairness.

Instead, it shifts leverage toward counties without corresponding protections for taxpayers.

Conclusion

HB26-1233 introduces criminal penalties, expands enforcement authority, and increases costs in a way that will discourage taxpayers from exercising their lawful right to appeal property valuations.

At its core, this bill risks transforming a civil administrative process into one with punitive consequences—without clear necessity or benefit.

For these reasons, I respectfully urge the Committee to vote NO on HB26-1233.

Thank you for your time and consideration.

A handwritten signature in blue ink, appearing to read "Hyndra Fedest". The signature is fluid and cursive, with a long, sweeping underline.