

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 15-0964.01 Ed DeCecco x4216

SENATE BILL 15-227

SENATE SPONSORSHIP

Grantham and Jahn,

HOUSE SPONSORSHIP

Melton and Van Winkle,

Senate Committees

Finance

House Committees

A BILL FOR AN ACT

101 CONCERNING THE INCLUSION OF A RESIDENTIAL STORAGE
102 CONDOMINIUM UNIT IN THE DEFINITION OF A RESIDENTIAL
103 IMPROVEMENT FOR PURPOSES OF THE PROPERTY TAX.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill establishes that a residential storage condominium unit is a residential improvement. This allows the unit to be assessed as residential real property, which currently has an assessment ratio of 7.96%, instead of as nonresidential property, which has an assessment ratio of 29%.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

A residential storage condominium unit is defined to mean a building or portion thereof that is:

- ! A unit under the "Colorado Common Interest Ownership Act";
- ! More than 400 square feet;
- ! Used by its owner to store items from or related to the owner's Colorado residence; and
- ! Not used for storage related to a business.

For a building unit to qualify as a residential storage condominium unit, the owner of the building unit must annually submit an affidavit of intended use acknowledging that the building unit meets the definition of a residential storage condominium unit. The property tax administrator is required to establish the affidavit of intended use and to prepare and publish standards for assessors to determine whether a building unit qualifies as a residential storage condominium unit.

An assessor may inspect a building unit to confirm that it qualifies as a residential storage condominium unit, and an owner is required to grant the assessor reasonable access to the building unit for the inspection.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 39-1-102, **amend**
3 (14.3) as follows:

4 **39-1-102. Definitions.** As used in articles 1 to 13 of this title,
5 unless the context otherwise requires:

6 (14.3) "Residential improvements" means a building, or that
7 portion of a building, designed for use predominantly as a place of
8 residency by a person, a family, or families. The term includes buildings,
9 structures, fixtures, fences, amenities, and water rights that are an integral
10 part of the residential use. The term also includes a manufactured home
11 as defined in subsection (7.8) of this section, a mobile home as defined
12 in subsection (8) of this section, ~~and~~ a modular home as defined in
13 subsection (8.3) of this section, AND A RESIDENTIAL STORAGE
14 CONDOMINIUM UNIT AS SET FORTH IN SECTION 39-1-124.

1 **SECTION 2.** In Colorado Revised Statutes, **add** 39-1-124 as
2 follows:

3 **39-1-124. Residential storage condominium unit - residential**
4 **improvement - affidavit - definitions.** (1) AS USED IN THIS SECTION:

5 (a) "AFFIDAVIT OF INTENDED USE" MEANS THE AFFIDAVIT
6 DESCRIBED IN PARAGRAPH (b) OF SUBSECTION (2) OF THIS SECTION.

7 (b) "RESIDENTIAL STORAGE CONDOMINIUM UNIT" MEANS A
8 BUILDING THAT IS:

9 (I) A UNIT, AS DEFINED IN SECTION 38-33.3-103 (30), C.R.S.;

10 (II) MORE THAN FOUR HUNDRED SQUARE FEET;

11 (III) USED BY ITS OWNER TO STORE ITEMS FROM OR RELATED TO
12 THE OWNER'S RESIDENCE LOCATED IN THE STATE; AND

13 (IV) NOT USED FOR STORAGE RELATED TO A BUSINESS.

14 (2) (a) SUBJECT TO PARAGRAPH (b) OF THIS SUBSECTION (2), A
15 RESIDENTIAL STORAGE CONDOMINIUM UNIT IS A RESIDENTIAL
16 IMPROVEMENT.

17 (b) FOR A BUILDING UNIT TO QUALIFY AS A RESIDENTIAL STORAGE
18 CONDOMINIUM UNIT FOR A PROPERTY TAX YEAR, AN OWNER MUST SUBMIT
19 TO THE ASSESSOR OF THE COUNTY IN WHICH THE BUILDING UNIT IS
20 LOCATED, ON OR BEFORE JANUARY 1 OF THE PROPERTY TAX YEAR, AN
21 AFFIDAVIT SIGNED BY THE OWNER STATING THAT THE BUILDING UNIT
22 MEETS THE DEFINITION OF A RESIDENTIAL STORAGE CONDOMINIUM UNIT
23 SET FORTH IN THIS SECTION. THE OWNER MUST SUBMIT A SEPARATE
24 AFFIDAVIT FOR EACH PROPERTY TAX YEAR.

25 (c) IF AN OWNER SUBMITS AN AFFIDAVIT OF INTENDED USE TO AN
26 ASSESSOR, THE OWNER SHALL NOTIFY THE ASSESSOR IF THE BUILDING UNIT
27 NO LONGER MEETS THE DEFINITION OF A RESIDENTIAL STORAGE

1 CONDOMINIUM UNIT OR IF THE BUILDING UNIT IS TRANSFERRED TO A NEW
2 OWNER.

3 (3) THE ADMINISTRATOR SHALL:

4 (a) ESTABLISH THE FORM OF THE AFFIDAVIT OF INTENDED USE; AND

5 (b) PREPARE AND PUBLISH STANDARDS FOR ASSESSORS TO
6 DETERMINE WHETHER A BUILDING UNIT QUALIFIES AS A RESIDENTIAL
7 STORAGE CONDOMINIUM UNIT.

8 (4) AN ASSESSOR MAY INSPECT A BUILDING UNIT TO CONFIRM THAT
9 IT QUALIFIES AS A RESIDENTIAL STORAGE CONDOMINIUM UNIT UNDER THIS
10 SECTION, AND AN OWNER SHALL GRANT THE ASSESSOR REASONABLE
11 ACCESS TO THE BUILDING UNIT FOR THE INSPECTION.

12 **SECTION 3. Act subject to petition - effective date -**
13 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
14 the expiration of the ninety-day period after final adjournment of the
15 general assembly (August 5, 2015, if adjournment sine die is on May 6,
16 2015); except that, if a referendum petition is filed pursuant to section 1
17 (3) of article V of the state constitution against this act or an item, section,
18 or part of this act within such period, then the act, item, section, or part
19 will not take effect unless approved by the people at the general election
20 to be held in November 2016 and, in such case, will take effect on the
21 date of the official declaration of the vote thereon by the governor.

22 (2) This act applies for all property tax years that commence on
23 or after January 1, 2016.