



## Town of Basalt Property Tax TABOR Compliance

Information Sheet

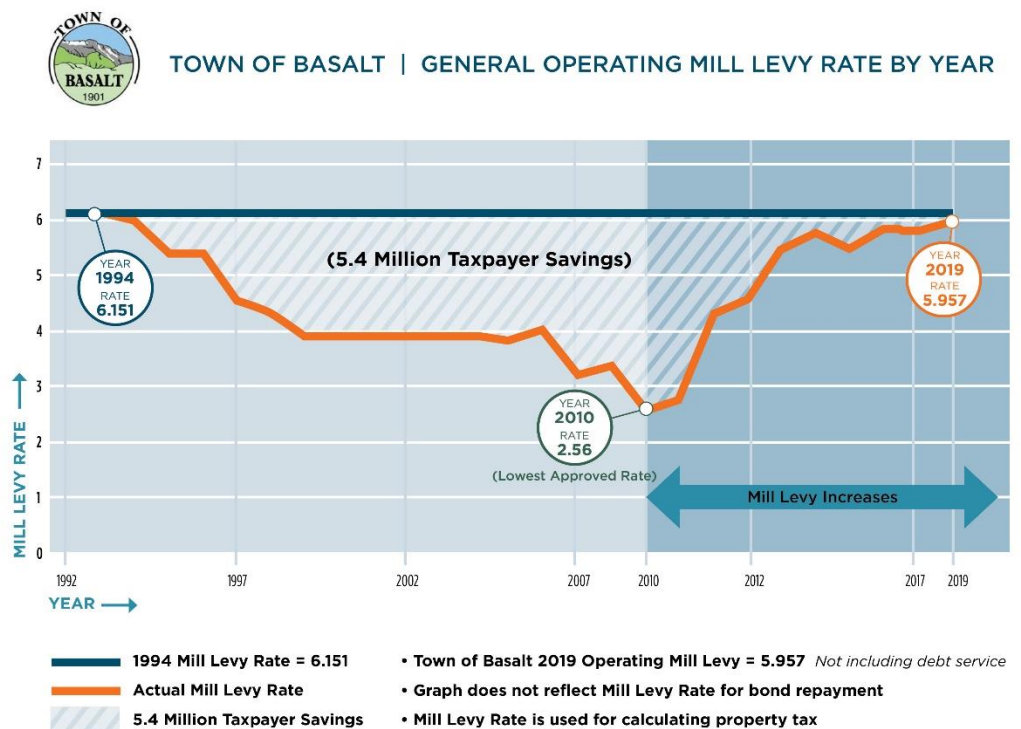
February 6, 2019

### Summary

Since 1994, Basalt has annually increased or decreased property taxes to ensure consistent revenue and, in turn, service levels. These actions may have conflicted with the Taxpayer Bill of Rights (TABOR) state law. A public vote to reaffirm the property tax rate will prevent TABOR conflicts.

### The Issue

While preparing the 2019 budget, Town staff noticed that since 1994, Councils had adjusted property tax rates (or the “mill levy”) to meet annual service demands and ensure consistent revenue. For example, Basalt lowered the mill levy rate in certain years, but increased them in later years, which may have been an attempt to keep service levels the same while property values were declining. The issue is that according to TABOR, once the property tax rate is reduced, it may not be increased without voter approval. In Basalt’s case, voters approved a ballot question in 1994 that allowed the Town to maintain its property tax mill levy at its then current rate of 6.151 mills. Nevertheless, the property tax mill levy fluctuated from year-to-year.



### Resolution

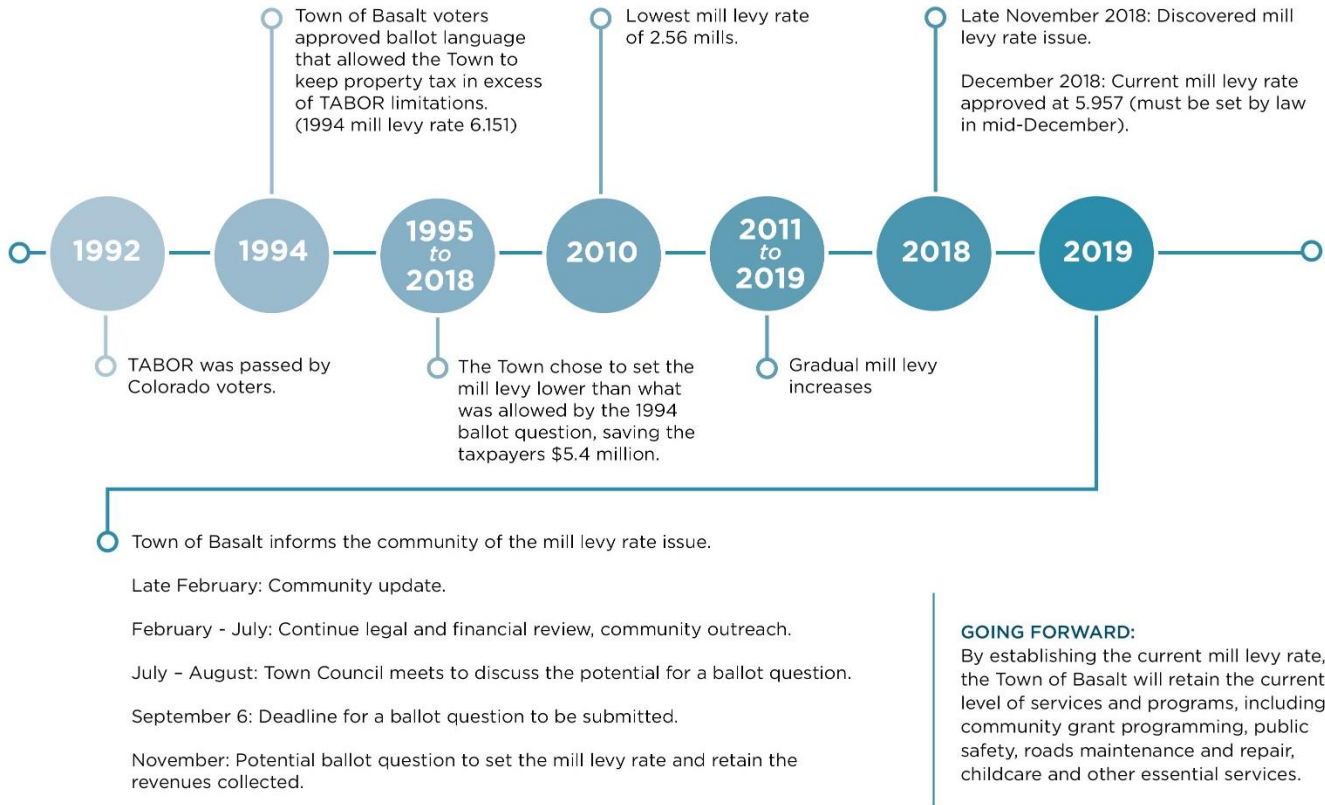
A ballot question approved by Basalt voters would resolve this issue by reestablishing the mill levy. Doing so would prevent potential conflicts with TABOR law and allow the Town to maintain its current level of service. If directed by Council, Town staff would prepare a ballot question for a vote in November.



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TOWN OF BASALT | GENERAL OPERATING MILL LEVY RATE TIMELINE



TOWN OF BASALT  
 % OF TOTAL PROPERTY TAX BILL  
 2019

