

Article published Nov 8, 2012

Fall is time to value local tax bases

Weighing pumpkins in the fall, for a Colorado assessor's office, is the time we notify taxing entities of the weight/value of their pumpkin. I mean their tax base. This is the foundation used to bill for services. School buildings, fire stations and trucks, cemeteries, road building and maintenance are all heavily financed by property taxes and, ultimately, the value of the base.

The property tax base is dependent on location and can't be moved easily, if at all, and is a reflection of how well a community plans to ensure income, education and the future.

The makeup of that base is important in Colorado because the constitution designates the share of taxes that land, homes, businesses and natural resources will pay into the community services.

The La Plata County tax base is, compositionally, relatively broad and has relied heavily on its natural environment, gas resources and tourism to enhance real estate values. We move natural gas to market and create a functional, mountain marketplace.

This year, the assessors of the state continued to use the 2010 level of value for real estate. This means it was mostly unchanged, unless by new construction or land subdivision.

The natural-gas portion of the tax base, however, is beginning to see the effects of abundant natural gas nationwide and is shrinking its significance in our county tax base.

Overall, the county tax base is down nearly 5 percent this year, with natural gas falling 10 percent from 49 percent of the base to 45 percent. The remaining strength in the base primarily is in residential property at 26 percent.

The valuation for 2013 will be based on the 2012 level of real-estate activity, and will show weakness in both the real-estate and gas sectors. This fall, taxing entities will need to closely analyze their budgets. Being prudent will be important. Interesting times call for creative leadership and resiliency.

The assessor's office is happy to answer questions about valuation at any time. Please check our website at eagleweb.laplata.co.us or call 382-6221.

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