

Real Property Valuation

Pursuant to Colorado State General Property Tax Law, the Assessor's Office is required to appraise all real property and determine prescribed uniformity in assessments.

Establishing Value

Residential property is valued using the market approach to value. In this approach, the value of the subject property is based on an analysis of comparable sales. For tax years 2023 and 2024, the comparable properties must have sold between January 1, 2020, and June 30, 2022. However, if insufficient data existed during that timeframe, data from each preceding six-month period (up to a period of five years proceeding June 30, 2022) may be utilized. Cheyenne County sales dating back to July 1, 2017, will be used in our analysis.

Agricultural land in Colorado is valued exclusively by the capitalization of net landlord income formula. Section 3(1)(a), article X, Colorado Constitution, provides the actual value of agricultural lands, as defined by law, must be determined solely by consideration of the earning or productive capacity of such lands capitalized at a rate as prescribed by law. The income stream to be capitalized is the economic net income, which is derived from the earning or productive capacity of the land after allowance for typical expenses. The agricultural land valuation methodology is based on a landlord-tenant relationship with the landlord's potential net agricultural income capitalized into a value indicator using a capitalization rate established by statute. Allowable expenses are those expenses which are normally incurred in whole or in part by a typical landlord. The income and expenses are an average of the ten calendar years prior to the appraisal date for a specified level of value. All income and expense information provided in this section has been reviewed by members of the agricultural industry and the assessor's agricultural committee. Additionally, they have been recommended for approval by the Statutory Advisory Committee and subsequently approved by the State Board of Equalization.

Notice of Valuation

In May, a Notice of Valuation (NOV) is mailed to all property owners. *This is not a tax bill.* The purpose of the NOV is to give notification of any change in property value, and inform the owner of their right to appeal the new value.

Appeal Process

Modern mass appraisal techniques produce accurate value estimates for the vast majority of properties. However, inaccurate property characteristics or other factors can cause properties to be overvalued or undervalued. By statute, all property owners have the right to question the classification or actual value established by the assessor each year. A process exists for protests and appeals that extend from the assessor's office to the Colorado Supreme Court.

To appeal the new value placed on the property, taxpayers may complete the form on the back of the Notice of Valuation, and return it to the County Assessor between May 1st and June 1st. Appeals may also be in writing, in person, or via phone by appointment only.

Please note the assessment rate is set by the State Legislature. Mill levies are set each year by taxing authorities. The mill levy determines the amount of each tax bill that goes to schools, fire districts, water, and sanitation districts, government agencies and other special districts.

For complete information regarding appeals, see the *Appeals Process link* on the Assessor's website.