

Memo

TO: Sustainability Subcommittee

FROM: James Jacobs

RE: Property Taxes, Mill Levies and Tuition and Fee Comparisons

Date: for April 26, 2010 meeting

Property Tax Comparisons

In 2006, Colorado ranked 24th in per capita state and local property taxes. Colorado's per capita total of \$1,109 was below the national average of \$1,204. In per \$1,000 of income terms, Colorado's \$28.00 for property taxes was also lower than the national average of \$32.71. Colorado ranked 31st in state and local property tax collections per income. Colorado's state government does not levy a property tax. Colorado essentially tied the national average of property taxes as a percentage of total taxes at 30%. While local governments nationally reported that property tax revenue accounted for nearly 72% of local tax revenue, they represented less than 61% of Colorado local government tax receipts. That is because of Colorado's reliance on local sales tax revenue.

Mill Levies

For 2008 property values, the average county mill levy was 72.748 mills. They ranged from a high of 103.573 in Adams County to a low of 28.073 for La Plata County. It is important to note that the average county mill levy is calculated by dividing total property tax revenue by total assessed value in each county. Individual properties may be lower or higher than the average. Denver's average of 70 mills may be typical in many parts of Denver. However, some properties in Stapleton have mill levy that exceed 100 mills.

If the state of Colorado were to levy a 4-mill property tax, it would generate nearly \$350 million statewide. That would represent 5.5% of the \$6.3 billion generated by property taxes collected in the 64 counties. A 4-mill levy would account for 5.5% of the statewide average of 72.748 mills. The 4 mills would range from 14.2% in La Plata County to 3.9% for both Adams and Douglas counties.

Tuition and Fees Comparisons, 2009-2010

The following tables and charts were derived from data published in March of 2010 by the Washington Higher Education Coordinating Board in its annual survey, this year's 2009-10 Tuition and Fee Rates – A National Comparison. Colorado remained below the national average for undergraduate resident tuition and fees for all three sectors. Colorado ranked 22nd for its flagship, 39th among 46 states in comprehensive colleges and

universities and 25th among 49 reporting states for community college tuition and fees. Non-resident tuition and fees generally exceed national averages except for comprehensive colleges and universities.

Even though Colorado was among the states with the largest gains in resident tuition for both the latest one-year period, and in the top ten for the past four years, Colorado's resident tuition still fell below the national average in all three sectors, but just barely for the flagship and community college sectors.

There are large differences among the states in all of these categories. While the national average for resident tuition at flagship institutions was \$7,963 in 2009-10, tuition ranged from \$14,416 in Pennsylvania to \$3,726 in Wyoming. For the comprehensive colleges and universities, the national average was \$6,257 and ranged from a high of \$11,133 for New Jersey to \$3,588 in New Mexico. Resident undergraduate tuition and fees at community colleges averaged \$3,029 for the nation. Tuition ranged from a high of \$6,262 in New Hampshire to \$780 in California.