

VOTE YES



REPEAL THE GALLAGHER AMENDMENT B



Rocky Mountain
Farmers Union

RMFU POLICY:

We support removing the Gallagher, TABOR, and Amendment provisions from the state constitution and returning tax and budgeting authority to the Colorado State Legislature, the Governor, and other appropriate elected officials.”

The **1982** Gallagher Amendment Established a Formula That Splits the Total Property Tax Burden

Residential
(homeowners)
responsible for

45%
TAX BURDEN

ALWAYS
pay lower

taxes
\$\$

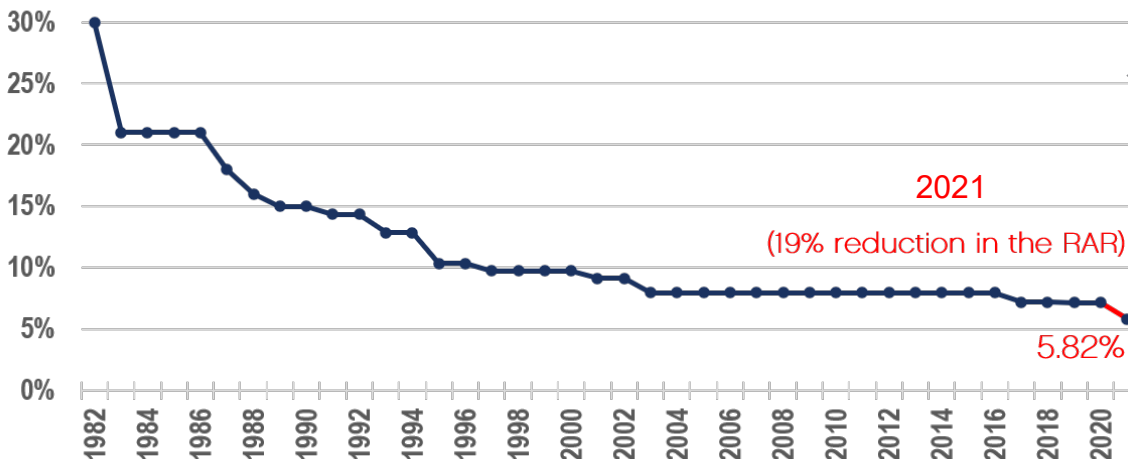
Non-Residential
(commercial)
responsible for

55%
TAX BURDEN

ALWAYS
pay higher

taxes
\$\$

How will Gallagher impact the **NEXT** Property Tax **Residential Assessment Rate (RAR)** Calculation in 2021?



*Gallagher was the culmination of a property tax revolt that began in Colorado in the late 1970's as a result of Colorado's robust population growth.

VOTE YES



THE

REPEAL GALLAGHER AMENDMENT B

Will the repeal of Gallagher result in a property tax increase? No. The repeal of Gallagher caps your property tax rates.

2021 PROJECTED RAR IF REPEALED

capped **7.15%**

- ▶ Rates will be capped. That is solid news—Colorado has the **third-lowest** effective residential property tax rate in the country.
- ▶ You spare small businesses from shouldering an even larger tax burden at a time when they can least afford it and you prevent deep cuts to essential local services like schools, fire departments, & hospitals.

CONSEQUENCES IF REPEAL IS REJECTED

RAR drop to **5.82%**

- ▶ In terms of state funding, things will get much worse. Schools will lose approximately **\$400** million in local tax support at a time when they are already planning to make steep cuts; small business owners will be forced to pay **five times** more in property taxes, and rural areas will continue to shoulder a higher portion of property taxes.

2021: Unintended Consequences

1

Gallagher has gotten out of balance – placing increasingly burdensome property taxes on many who can least afford them.

2

Homeowners in Colorado's richest neighborhoods would get a property tax cut, while small businesses and farmers would pay an increasing share of property taxes.

3

Small businesses, fire departments, and farmers – especially in rural and low-income areas – have to carry a larger share of total property taxes paid all while their services are cut.