

HB20-1418 interprets some previous reductions to mill levies as having been unauthorized by statute. Reductions resulting from TABOR limits remaining in place for purposes of calculation even after districts de-Bruced are those impacted. Reductions in mill levies caused by the normal reduction in total program funding in any given year remain. The change in statute corrects the unauthorized reductions by restoring school district total program mill levies to the number of voter-approved mills the district imposed as of the date of its de-Brucing election without regard to unauthorized reductions, or 27 mills, whichever is less, and offsets any levy that is higher with a corresponding tax credit for the amount of the difference. Total program property tax remains unchanged due to the mill levy credit.

If the district is required to levy a greater number of mills than it levied in the 2019 property tax year, the district's board of education, as the taxing entity, must grant a temporary property tax credit to the county or counties equal to the amount of the difference.

EXAMPLE: District A had a 2019 total program mill = 24.662
 District A's calculated total program mill per new statute = 32.565 (exceeds 27 mills so
 district's new number = 27 mills)
 District A grants a temporary credit of 2.338 (27.000 minus 24.662)

The mill levy certification form has been set up to include this new calculation piece and calculate the credit (if any) that the district needs to grant.

The updated mill levy numbers for each district were calculated using the historical data and removing the portion of the formula which created the unauthorized reduction. This was done for each district following the year in which the district successfully de-Bruced. Adjusted numbers for each fiscal year were then rolled forward into the following years formula funding calculation to ensure that the numbers up to 2008 when statute froze most district's total program mills in place captured authorized reductions.