

Legislative Fiscal Office

*Only Impacts on Original or Engrossed Versions are Considered Official*

---

Prepared by: Michael Graham  
Reviewed by: Amanda Beitel, Doug Wilson  
Date: May 16, 2023

---

**Measure Description:**

Changes method of determining whether addition of real property improvements constitutes "minor construction" for purposes of property tax law. Replaces current thresholds of \$10,000 per assessment year or \$25,000 cumulatively over five assessment years with new thresholds over \$18,200 per assessment year or \$45,000 for cumulative additions made over five assessment years. Directs the Department of Revenue to annually adjust these threshold amounts to inflation.

**Government Unit(s) Affected:**

Counties, Department of Revenue

**Analysis:**

The proposed legislation has been determined to have

**MINIMAL EXPENDITURE IMPACT**

on state or local government.

While this individual measure has a "Minimal" fiscal impact, an agency may incur a net fiscal impact greater than minimal depending on the cumulative impact of all measures enacted into law that affect the agency.