

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 17-0210.01 Ed DeCecco x4216

HOUSE BILL 17-1049

HOUSE SPONSORSHIP

Thurlow and Gray,

SENATE SPONSORSHIP

Coram,

House Committees

Finance

Senate Committees

Finance

A BILL FOR AN ACT

101 CONCERNING THE ELIMINATION OF REFUND INTEREST RELATED TO A
102 PROPERTY TAX ABATEMENT.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

If property taxes are levied erroneously or illegally and a taxpayer has not protested the valuation within the time permitted by law, then the taxpayer has 2 years from the start of the property tax year to file a petition for abatement or refund. The board of county commissioners is required to abate the taxes, and the taxpayer is entitled to a refund for the incorrect amount and, in some circumstances, refund interest equal to 1%

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

SENATE
Amended 2nd Reading
March 28, 2017

HOUSE
3rd Reading Unamended
February 15, 2017

HOUSE
Amended 2nd Reading
February 13, 2017

per month. The bill eliminates the refund interest related to a property tax abatement.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 39-10-114, **amend**
3 (1)(a)(I)(A) and (1)(b) as follows:

4 **39-10-114. Abatement - cancellation of taxes.**
5 (1) (a) (I) (A) Except as otherwise provided in sub-subparagraphs (D)
6 and (E) of this subparagraph (F) SUBSECTIONS (1)(a)(I)(D) AND
7 (1)(a)(I)(E) OF THIS SECTION, if taxes have been levied erroneously or
8 illegally, whether due to erroneous valuation for assessment, irregularity
9 in levying, clerical error, or overvaluation, the treasurer shall report the
10 amount thereof to the board of county commissioners, which shall
11 proceed to abate such taxes in the manner provided by law. The assessor
12 shall make such report if the assessor discovers that taxes have been
13 levied erroneously or illegally. If such taxes have been collected by the
14 treasurer, the board of county commissioners shall authorize refund of the
15 same in the manner provided by law. Except as provided in
16 sub-subparagraphs (E) and (F) of this subparagraph (F) SUBSECTIONS
17 (1)(a)(I)(E) AND (1)(a)(I)(F) OF THIS SECTION AND SECTION 39-5-125 (4),
18 in no case shall an abatement or refund of taxes be made unless a petition
19 for abatement or refund is filed within two years after January 1 of the
20 year following the year in which the taxes were levied. For purposes of
21 this sub-subparagraph (A) SUBSECTION (1)(a)(I)(A), "clerical error" shall
22 include, but shall not be limited to, any clerical error made by a taxpayer
23 in completing personal property schedules pursuant to the provisions of
24 article 5 of this title. Notwithstanding any other law to the contrary, for
25 purposes of this sub-subparagraph (A) SUBSECTION (1)(a)(I)(A),

1 "erroneous valuation" shall include, but shall not be limited to: Any
2 reclassification of property from agricultural land to any other
3 classification of property for the property tax year commencing January
4 1, 1996, if the property in question qualifies for classification as
5 agricultural land as determined pursuant to section 39-1-102 (1.6), as
6 amended by Senate Bill 97-039, enacted at the first regular session of the
7 sixty-first general assembly; and any denial of exemption from taxation
8 for property claimed as agricultural and livestock products for the
9 property tax year commencing January 1, 1996, if the property in question
10 qualifies as agricultural and livestock products as determined pursuant to
11 section 39-1-102 (1.1), as amended by Senate Bill 97-039, enacted at the
12 first regular session of the sixty-first general assembly.

13 (b) Any taxes illegally or erroneously levied and collected, and
14 delinquent interest thereon, ~~shall be~~ ARE refunded pursuant to this section,
15 together with refund interest at the same rate as that provided for
16 delinquent interest set forth in section 39-10-104.5; except that refund
17 interest shall not be paid if the taxes were erroneously levied and
18 collected as a result of an error made by the taxpayer in completing
19 personal property schedules pursuant to the provisions of article 5 of this
20 ~~title. Said~~ TITLE 39. FOR ABATEMENTS OR REFUNDS MADE PURSUANT TO
21 A PETITION FOR ABATEMENT OR REFUND FILED PRIOR TO JANUARY 1, 2018,
22 refund interest ~~shall accrue only~~ ACCRUES from the date payment of taxes
23 and delinquent interest thereon was received by the treasurer from the
24 taxpayer; except that refund interest ~~shall accrue~~ ACCRUES from the date
25 a complete abatement petition is filed if the taxes were erroneously levied
26 and collected as a result of an error or omission made by the taxpayer in
27 completing the statements required pursuant to the provisions of article

1 7 of this ~~title~~ TITLE 39 and the county pays the abatement or refund within
2 the time frame set forth in ~~sub-subparagraph (B) of subparagraph (I) of~~
3 ~~paragraph (a) of this subsection (1). Refund interest on abatements or~~
4 ~~refunds made pursuant to sub-subparagraph (F) of subparagraph (I) of~~
5 ~~paragraph (a) of this subsection (1) shall only accrue on taxes paid for the~~
6 ~~two latest years of illegal or erroneous assessment~~ SUBSECTION
7 (1)(a)(I)(B) OF THIS SECTION. FOR ABATEMENTS OR REFUNDS MADE
8 PURSUANT TO A PETITION FOR ABATEMENT OR REFUND FILED ON OR AFTER
9 JANUARY 1, 2018, REFUND INTEREST ACCRUES FROM THE DATE A
10 COMPLETE ABATEMENT PETITION IS FILED.

11 **SECTION 2.** In Colorado Revised Statutes, 39-5-125, **add (4)** as
12 follows:

13 **39-5-125. Omission - correction of errors. (4)** IF OMITTED
14 PROPERTY IS ADDED BY THE ASSESSOR OR THE TREASURER FOR A PRIOR
15 ASSESSMENT YEAR, THEN A PETITION FOR ABATEMENT OR REFUND MAY BE
16 FILED AT ANY TIME AFTER THE TAXES ARE LEVIED AND AN AMENDED TAX
17 BILL HAS BEEN GENERATED, BUT BEFORE TWO YEARS AFTER JANUARY 1 OF
18 THE YEAR FOLLOWING THE YEAR IN WHICH THE TAXES ARE LEVIED.

19 **SECTION 3.** **Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly (August
22 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
23 referendum petition is filed pursuant to section 1 (3) of article V of the
24 state constitution against this act or an item, section, or part of this act
25 within such period, then the act, item, section, or part will not take effect
26 unless approved by the people at the general election to be held in

- 1 November 2018 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.