

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 10-0638.01 Ed DeCecco

HOUSE BILL 10-1129

HOUSE SPONSORSHIP

Bradford,

SENATE SPONSORSHIP

Harvey,

House Committees

Local Government

Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING CONSEQUENCES RELATED TO A HIGHER ACTUAL
102 VALUATION OF PROPERTY FOR THE PURPOSE OF LEVYING THE
103 PROPERTY TAX.

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://www.leg.state.co.us/billsummaries>.)

Section 4 of the bill requires a taxpayer to initially pay property taxes based on the valuation from the previous year if:

! The value of land or improvements increases by more than 300%;

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.

! The increase is not based on a change in classification of the land or improvements or an addition or modification thereto; and

! The taxpayer is appealing the valuation.

Section 4 also requires a revised tax statement to be sent to a taxpayer after a final order or decision on appeal. **Section 5** of the bill requires the taxpayer to pay any remaining taxes owed within 30 days from the revised tax statement if tax is owed after the appeal and the tax based on the valuation from the previous year has already been paid. **Section 1** of the bill requires the notice of valuation sent to certain taxpayers whose property value has increased to include a statement about initially paying taxes based on the actual valuation for the previous year.

Sections 2 and 3 of the bill require a taxpayer to receive costs, including witness fees, and reasonable attorney fees if the final adjusted valuation is less than one-third of the valuation included in the notice of valuation.

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

2 **SECTION 1.** 39-5-121 (1), Colorado Revised Statutes, is
3 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

4 **39-5-121. Notice of valuation - legislative declaration.**

5 (1) (c) (I) BEGINNING WITH THE PROPERTY TAX YEAR COMMENCING ON
6 JANUARY 1, 2011, IF THE ACTUAL VALUATION OF LAND OR IMPROVEMENTS
7 FOR THE CURRENT YEAR, AS SET FORTH IN THE NOTICE REQUIRED
8 PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1), INCREASES BY
9 MORE THAN THREE HUNDRED PERCENT OF THE ACTUAL VALUATION FOR
10 THE PREVIOUS YEAR, AND THE INCREASE IS NOT BASED ON A CHANGE IN
11 CLASSIFICATION OF THE LAND OR IMPROVEMENTS OR AN ADDITION OR
12 MODIFICATION THERETO, THE NOTICE SHALL ALSO STATE THAT, IF THE
13 TAXPAYER WHOSE PROPERTY VALUE HAS INCREASED IN SUCH MANNER IS
14 APPEALING THE INCREASE AT THE TIME THE COUNTY TREASURER SENDS
15 THE TAX STATEMENT TO THE TAXPAYER, THE TAXPAYER SHALL INITIALLY
16 PAY PROPERTY TAXES BASED ON THE ACTUAL VALUATION FOR THE

1 PREVIOUS YEAR AND THAT, AFTER A FINAL ORDER REGARDING THE
2 ACTUAL VALUATION IS ENTERED, ADDITIONAL TAXES MAY BE OWED.

3 (II) THE ASSESSOR SHALL NOTIFY THE COUNTY TREASURER OF THE
4 COUNTY IN WHICH THE LAND OR IMPROVEMENTS ARE LOCATED OF EACH
5 TAXPAYER THAT RECEIVES NOTIFICATION PURSUANT TO SUBPARAGRAPH
6 (I) OF THIS PARAGRAPH (c).

7 **SECTION 2.** 39-8-108, Colorado Revised Statutes, is amended
8 BY THE ADDITION OF A NEW SUBSECTION to read:

9 **39-8-108. Decision - review - opportunity to submit case to**
10 **arbitration - attorney fees and costs.** (7) (a) A TAXPAYER SHALL BE
11 ENTITLED TO AN AWARD OF COSTS, INCLUDING THE FEES OF THE
12 TAXPAYER'S WITNESSES, AND REASONABLE ATTORNEY FEES IF THE FINAL
13 ADJUSTED VALUATION IS LESS THAN ONE-THIRD OF THE ACTUAL
14 VALUATION IN THE CURRENT YEAR INCLUDED IN THE NOTICE OF
15 VALUATION MAILED PURSUANT TO SECTION 39-5-121. NOTWITHSTANDING
16 ANY PROVISION OF LAW TO THE CONTRARY, SUCH AWARD SHALL INCLUDE
17 ALL ATTORNEY FEES AND COSTS THAT WERE INCURRED DURING ANY
18 PROTEST OR APPEAL AUTHORIZED PURSUANT TO THIS ARTICLE.

19 (b) COSTS AND REASONABLE ATTORNEY FEES MAY BE AWARDED
20 ON AND AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (7), REGARDLESS
21 OF WHEN THE PROTEST OR APPEAL BEGAN.

22 **SECTION 3.** 39-8-109 (1), Colorado Revised Statutes, is
23 amended to read:

24 **39-8-109. Effects of board of assessment appeals or district**
25 **court decision.** (1) If upon appeal the appellant is sustained, in whole
26 or in part, then the appellant shall provide a copy of the order or judgment
27 of the board of assessment appeals or district court, as the case may be,

1 to the county assessor. If the order or judgment has been appealed, then
2 the appellant shall present to the county assessor a copy of the original
3 order or judgment of the board of assessment appeals or district court and
4 copies of all further decisions of the board of assessment appeals, district
5 court, court of appeals, and supreme court. Upon presentation to the
6 treasurer by the county assessor of a copy of the order or judgment of the
7 board of assessment appeals or district court, as the case may be, and, if
8 the case has been appealed, copies of all further decisions of the board of
9 assessment appeals, district court, court of appeals, and supreme court,
10 modifying the valuation for assessment of the property, the appellant,
11 identified as the petitioner or plaintiff on the order or judgment of the
12 board of assessment appeals or district court, shall forthwith receive the
13 appropriate refund of taxes and delinquent interest thereon, together with
14 refund interest at the same rate as delinquent interest as specified in
15 section 39-10-104.5, and a refund of costs in said court or board of
16 assessment appeals, as the case may be, including the fees of the
17 appellant's witnesses, in such amount as may be fixed by the court or
18 board of assessment appeals, as the case may be, OR A REFUND OF
19 ATTORNEY FEES AND COSTS AWARDED PURSUANT TO SECTION 39-8-108
20 (7). Such refund interest shall only accrue from the date on which
21 payment of taxes and delinquent interest thereon was received by the
22 treasurer. Such refund shall be paid to the appellant even if the appellant
23 is not the current owner of the property. If the order or judgment of either
24 such court or board of assessment appeals is for the county, then the
25 county shall recover costs from the appellant in such amount as may be
26 fixed by the court or board of assessment appeals, as the case may be.

27 **SECTION 4.** 39-10-103, Colorado Revised Statutes, is amended

1 BY THE ADDITION OF A NEW SUBSECTION to read:

2 **39-10-103. Tax statement.** (4) (a) THE AMOUNT OF TAXES
3 PAYABLE THAT ARE INCLUDED IN THE TAX STATEMENT REQUIRED BY
4 PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION SHALL BE BASED ON
5 THE ACTUAL VALUATION FOR THE PREVIOUS YEAR IF:

6 (I) THE VALUE OF LAND OR IMPROVEMENTS HAS INCREASED BY
7 MORE THAN THREE HUNDRED PERCENT OF THE ACTUAL VALUATION FOR
8 THE PREVIOUS YEAR;

9 (II) THE INCREASE IN THE VALUE OF LAND OR IMPROVEMENTS IS
10 NOT BASED ON A CHANGE IN CLASSIFICATION OF THE LAND OR
11 IMPROVEMENTS OR AN ADDITION OR MODIFICATION THERETO; AND

12 (III) AT THE TIME THE STATEMENT IS SENT, THE TAXPAYER IS
13 APPEALING THE VALUATION PURSUANT TO SECTION 39-8-108.

14 (b) IF THE PROVISIONS OF PARAGRAPH (a) OF THIS SUBSECTION (4)
15 APPLY, NO LATER THAN FORTY-FIVE DAYS AFTER THE FINAL ORDER OR
16 DECISION AUTHORIZED PURSUANT TO SECTION 39-8-108, THE TREASURER
17 SHALL MAIL TO THE TAXPAYER A REVISED TAX STATEMENT SHOWING THE
18 TOTAL AMOUNT OF THE TAXES, IF ANY, STILL PAYABLE BY THE TAXPAYER.

19 **SECTION 5.** 39-10-104.5 (2), Colorado Revised Statutes, is
20 amended, and the said 39-10-104.5 is further amended BY THE
21 ADDITION OF A NEW SUBSECTION, to read:

22 **39-10-104.5. Payment dates - optional payment dates - failure**
23 **to pay - delinquency.** (2) Except as provided in subsections (6), (7), ~~and~~
24 ~~(11)~~ AND (12) of this section, at the option of the taxpayer, property taxes
25 may be paid in full or in two equal installments, the first such installment
26 to be paid on or before the last day of February and the second installment
27 to be paid no later than the fifteenth day of June.

1 (12) IF A TAXPAYER RECEIVES A REVISED TAX STATEMENT
2 PURSUANT TO SECTION 39-10-103 (4) (b) AFTER THE TAXPAYER HAS PAID
3 IN FULL ALL PROPERTY TAXES BASED ON THE ACTUAL VALUATION FOR THE
4 PREVIOUS YEAR, THE TAXPAYER SHALL PAY ANY ADDITIONAL PROPERTY
5 TAXES DUE NO LATER THAN THIRTY DAYS FROM THE DATE OF THE NOTICE,
6 AFTER WHICH TIME DELINQUENT INTEREST MAY ACCRUE PURSUANT TO THE
7 PROVISIONS OF THIS SECTION.

8 **SECTION 6. Safety clause.** The general assembly hereby finds,
9 determines, and declares that this act is necessary for the immediate
10 preservation of the public peace, health, and safety.