

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0665.01 Gregg Fraser x4325

SENATE BILL 16-044

SENATE SPONSORSHIP

Sonnenberg,

HOUSE SPONSORSHIP

(None),

Senate Committees
Finance

House Committees

A BILL FOR AN ACT

101 CONCERNING THE ALLOWANCE OF DISPUTED CLAIMS FOR STATE
102 INCOME TAX CREDITS FOR THE DONATION OF A CONSERVATION
103 EASEMENT.

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/bills summaries>.)

Under current law, a state income tax credit is allowed for a portion of the value of a perpetual conservation easement that is granted by a taxpayer on real property located in Colorado. The bill prohibits the executive director of the department of revenue from contesting certain claims for conservation easement credits unless the valuation for the

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.

easement is supported by an appraisal from an appraiser convicted of fraud or misrepresentation in connection with preparing the appraisal. The executive director is further directed to refund any amount of tax, interest, or penalties paid by a taxpayer in connection with a claim that was previously denied if the claim would have been allowed pursuant to the provisions of the bill.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-522, **add** (3.5)

3 (c) as follows:

4 **39-22-522. Credit against tax - conservation easements.**

5 (3.5) (c) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, FOR ANY
6 CONSERVATION EASEMENT IN GROSS DONATED PRIOR TO JANUARY 1, 2014,
7 FOR WHICH A CREDIT IS CLAIMED PURSUANT TO THIS SECTION, THE
8 EXECUTIVE DIRECTOR SHALL CONTEST NEITHER THE VALIDITY NOR THE
9 APPRAISED VALUE OF THE EASEMENT UNLESS THE VALUE IS SUPPORTED
10 SOLELY BY AN APPRAISAL FROM AN APPRAISER CONVICTED PRIOR TO JULY
11 1, 2016, OF FRAUD OR ANOTHER CRIMINAL ACT OF MISREPRESENTATION IN
12 CONNECTION WITH THE PREPARATION OF THE APPRAISAL. ON AND AFTER
13 THE EFFECTIVE DATE OF THIS PARAGRAPH (c), THE EXECUTIVE DIRECTOR
14 SHALL CEASE CONTESTING ANY CLAIM FOR A CREDIT THAT WOULD BE
15 ALLOWED AS A RESULT OF THE ADOPTION OF THIS PARAGRAPH (c) AND, ON
16 OR BEFORE JANUARY 1, 2017, SHALL REFUND ANY AMOUNT OF TAX,
17 INTEREST, OR PENALTY PAID BY A TAXPAYER IN CONNECTION WITH A
18 CLAIM FOR A CREDIT THAT WAS CONTESTED BUT WOULD HAVE BEEN
19 ALLOWED AS A RESULT OF THE ADOPTION OF THIS PARAGRAPH (c). ANY
20 AMOUNT OF TAX, INTEREST, OR PENALTY PAID BY A TAXPAYER THAT IS
21 REFUNDED PURSUANT TO THIS PARAGRAPH (c) CONSTITUTES AN
22 OVERPAYMENT BY THE TAXPAYER AND SHALL BE REFUNDED WITH

1 INTEREST AS PROVIDED IN SECTION 39-21-110.

2 **SECTION 2. Act subject to petition - effective date.** This act
3 takes effect at 12:01 a.m. on the day following the expiration of the
4 ninety-day period after final adjournment of the general assembly (August
5 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a
6 referendum petition is filed pursuant to section 1 (3) of article V of the
7 state constitution against this act or an item, section, or part of this act
8 within such period, then the act, item, section, or part will not take effect
9 unless approved by the people at the general election to be held in
10 November 2016 and, in such case, will take effect on the date of the
11 official declaration of the vote thereon by the governor.