

**First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO**

**REENGROSSED**

*This Version Includes All Amendments  
Adopted in the House of Introduction*

LLS NO. 17-0900.01 Esther van Mourik x4215

**SENATE BILL 17-194**

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**SENATE SPONSORSHIP**

**Neville T.,**

**HOUSE SPONSORSHIP**

**Pabon,**

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**Senate Committees**  
Finance

**House Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING AN EXCEPTION TO THE STATUTORY DEADLINES FOR**  
102                    **MAKING INCOME TAX REFUNDS FOR RETURNS SUSPECTED OF**  
103                    **REFUND-RELATED FRAUD.**

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**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>.)*

Current law requires the department of revenue to meet certain deadlines in sending out income tax refunds:

- !      14 days for returns filed in January;
- !      21 days for returns filed in February;
- !      28 days for returns filed in March; and

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  
3rd Reading Unamended  
March 1, 2017

SENATE  
2nd Reading Unamended  
February 28, 2017

! 45 days for returns filed in April.  
If these statutory deadlines are not met, a penalty and interest is added as specified in statute. Current law also identifies certain exceptions to these requirements.

The bill specifies that if the department of revenue makes a determination, in good faith, that there is a suspicion of identity theft or other refund-related fraud, then the deadlines do not apply.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-622, **amend**  
3 (4) as follows:

4 **39-22-622. Refunds.** (4) (a) The provisions of subsection (2) of  
5 this section shall not apply:

- 6 (I) To any return that is being audited; ~~or~~
- 7 (II) To any return that may take longer than normal to process due  
8 to the mathematical or clerical errors contained in said return;
- 9 (III) To unforeseen delays caused by the failure of processing  
10 equipment;
- 11 (IV) Because of a tax credit allowed in section 39-22-531; ~~or~~
- 12 (V) Because the taxpayer claimed an enterprise zone tax credit  
13 pursuant to article 30 of this ~~title~~ TITLE 39 and the department OF  
14 REVENUE is awaiting confirmation from the Colorado office of economic  
15 development that the taxpayer is eligible for such credit; OR
- 16 (VI) TO ANY RETURN WHERE THERE IS A SUSPICION OF IDENTITY  
17 THEFT OR OTHER REFUND-RELATED FRAUD.

18 ~~Such determinations shall be made in good faith by~~ The  
19 department of revenue SHALL MAKE A DETERMINATION, IN GOOD FAITH,  
20 WHETHER ANY OF THE EXCEPTIONS SET FORTH IN SUBSECTION (4)(a) OF  
21 THIS SECTION APPLY.

22 **SECTION 2. Applicability.** This act applies to income tax

1 returns filed on or after the effective date of this act.

2           **SECTION 3. Safety clause.** The general assembly hereby finds,  
3 determines, and declares that this act is necessary for the immediate  
4 preservation of the public peace, health, and safety.