

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 20-1068.01 Ed DeCecco x4216

HOUSE BILL 20-1342

HOUSE SPONSORSHIP

Gray and Larson,

SENATE SPONSORSHIP

(None),

House Committees
Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 CONCERNING ADMINISTRATIVE PROCEDURES RELATED TO
102 ESTABLISHING THE VALUE OF PROPERTY FOR PURPOSES OF
103 PROPERTY TAXATION.

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>.)

Sections 1 and 2 of the bill establish authority for the board of assessment appeals to refer a matter before it to a hearing officer for an expedited hearing, upon the request of a taxpayer in certain circumstances. There are deadlines for requesting and conducting the hearing and for the hearing officer to make his or her order. The

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

procedure for the hearing is similar to those hearings conducted before the board. If unchanged by the board of assessment appeals, a hearing officer's order is appealable in the same manner as an order issued by the board.

Section 3 creates the property tax valuation protest deadline task force. The task force consists of 7 members: The property tax administrator or the administrator's designee and 6 members appointed by the governor. The task force meets over one year and is required to consider and make recommendations to legislative committees to extend the taxpayer's deadline to protest a property tax valuation and to adjust other related deadlines.

Under current law, an assessor may, with the permission of the board of county commissioners, include an estimate of property taxes owed in a notice of valuation. **Section 4** requires an assessor to include this estimate and allows the assessor to include a range of values.

If in the consideration of a protest an assessor finds that he or she made a systematic error and the valuations of other similar properties are incorrect, **section 5** requires the assessor to correct the error for the other similar properties.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-2-125, **amend** (1)
3 introductory portion and (1)(h) introductory portion; and **add** (1)(i) as
4 follows:

5 **39-2-125. Duties of the board - board of assessment appeals**
6 **cash fund - creation.** (1) The board of assessment appeals shall perform
7 the following duties, such performance to be in accordance with the
8 applicable provisions of article 4 of title 24: ~~C.R.S.~~

9 (h) Collect any filing fee that shall accompany a taxpayer's request
10 for a hearing before the board OR HEARING OFFICER pursuant to this
11 section. All fees collected by the board shall be transmitted to the state
12 treasurer, who shall credit the same to the board of assessment appeals
13 cash fund, which fund is hereby created in the state treasury and referred
14 to in this ~~paragraph (h)~~ SUBSECTION (1)(h) as the "cash fund". All ~~moneys~~

1 MONEY credited to the cash fund shall be used in accordance with the
2 requirements of this section and shall not be deposited in or transferred
3 to the general fund of this state or any other fund. The ~~moneys~~ MONEY
4 credited to the cash fund shall be available for appropriation by the
5 general assembly to the board of assessment appeals in the annual general
6 appropriation act. In making the annual appropriation to the board of
7 assessment appeals under the annual general appropriation act, the
8 general assembly shall consider available revenues and reserve balances
9 in the cash fund. Any interest earned on amounts in the cash fund shall be
10 credited to the cash fund. Any request for a hearing before the board
11 pursuant to sections 39-2-117 (5)(b), 39-4-108 (8), 39-8-108 (1), and
12 39-10-114.5 (1) shall be accompanied by a nonrefundable filing fee as
13 follows:

14 (i) TO REFER TO A HEARING OFFICER IN ACCORDANCE WITH
15 SECTION 39-2-127.5 AN APPEAL THAT THE BOARD OF ASSESSMENT
16 APPEALS IS AUTHORIZED TO HEAR UNDER SUBSECTIONS (1)(c), (1)(e), AND
17 (1)(f) OF THIS SECTION.

18 **SECTION 2.** In Colorado Revised Statutes, **add** 39-2-127.5 as
19 follows:

20 **39-2-127.5. Hearing officer - expedited appeal - definitions.**

21 (1) AS USED IN THIS SECTION:

22 (a) "BOARD" MEANS THE BOARD OF ASSESSMENT APPEALS.

23 (b) "TAXPAYER" MEANS A TAXPAYER WHO IS A PARTY IN A
24 PROCEEDING BEFORE THE BOARD OF ASSESSMENT APPEALS.

25 (2) A TAXPAYER MAY REQUEST THE BOARD TO APPOINT A HEARING
26 OFFICER TO CONDUCT AN EXPEDITED HEARING ON AN APPEAL FOR A
27 MATTER, IF:

1 (a) THE APPEAL IS PROPERLY BEFORE THE BOARD;

2 (b) THE DIFFERENCE BETWEEN THE CONTESTED VALUATION AND
3 THE VALUATION FOR THE PRIOR YEAR IS LESS THAN TEN PERCENT OF THE
4 VALUATION FOR THE PRIOR YEAR; AND

5 (c) THE TAXPAYER REQUESTS THE EXPEDITED HEARING NO LATER
6 THAN:

7 (I) IF SECTION 39-8-107 (5)(b)(I) APPLIES, THE LATER OF THIRTY
8 DAYS AFTER THE DOCUMENTS ARE PRODUCED UNDER SAID SUBSECTION
9 (5)(b)(I) OR SIXTY DAYS AFTER THE APPEAL IS FILED WITH THE BOARD; OR

10 (II) FOR ALL OTHER PROPERTIES, SIXTY DAYS AFTER THE APPEAL
11 IS FILED WITH THE BOARD.

12 (3) (a) UPON REQUEST, THE BOARD SHALL APPOINT A HEARING
13 OFFICER TO CONDUCT THE HEARING IN THE CITY AND COUNTY OF DENVER
14 OR IN A COUNTY CLOSER TO THE SUBJECT PROPERTY. SUCH HEARING
15 OFFICER SHALL ADMINISTER OATHS, EXAMINE WITNESSES, RECEIVE
16 EVIDENCE, ISSUE SUBPOENAS, AND RENDER A DECISION. THE HEARING
17 OFFICER HAS ANY ADDITIONAL POWERS SPECIFIED IN SECTION 24-4-105
18 THAT ARE NECESSARY TO PERFORM THE FUNCTIONS REQUIRED BY THIS
19 SECTION. AT THE DIRECTION OF THE BOARD, THE OFFICE OF THE ATTORNEY
20 GENERAL SHALL ATTEND A HEARING AND ADVISE THE HEARING OFFICER
21 AS TO MATTERS OF PROCEDURE, EVIDENCE, AND LAW ARISING IN THE
22 COURSE OF THE APPEAL. WHEN THE STATE PROPERTY TAX ADMINISTRATOR
23 IS A PARTY TO AN APPEAL, THE LEGAL COUNSEL SHALL NOT BE THE SAME
24 LEGAL COUNSEL WHO ADVISES OR REPRESENTS THE STATE PROPERTY TAX
25 ADMINISTRATOR AT PROCEEDINGS BEFORE THE BOARD.

26 (b) A TAXPAYER MAY APPEAR ON HIS OR HER OWN BEHALF OR BE
27 REPRESENTED BY AN ATTORNEY ADMITTED TO PRACTICE LAW IN THE

1 STATE OR BY ANY OTHER INDIVIDUAL OF HIS OR HER CHOICE. A TRUST MAY
2 BE REPRESENTED BY AN ATTORNEY ADMITTED TO PRACTICE LAW IN THE
3 STATE, BY THE TRUSTEE OF THE TRUST, OR BY THE TRUSTEE'S DESIGNEE.
4 THE HEARING OFFICER MAY PERMIT, IN HIS OR HER DISCRETION AND UPON
5 PRIOR WRITTEN APPLICATION, THE INTERVENTION OF ANOTHER AFFECTED
6 PARTY IN A MATTER PENDING BEFORE THE BOARD. THE HEARING OFFICER
7 MAY LIMIT OR RESTRICT THE PARTICIPATION OF AN INTERVENOR IN SUCH
8 MANNER AS THE BOARD, IN ITS DISCRETION, ORDERS.

9 (c) A HEARING OFFICER SHALL CONDUCT A HEARING ON AN APPEAL
10 WITHIN SIXTY DAYS OF THE TAXPAYER'S REQUEST FOR A HEARING UNDER
11 SUBSECTION (2) OF THIS SECTION.

12 (4) WITHIN THIRTY DAYS AFTER THE HEARING, THE HEARING
13 OFFICER SHALL ISSUE A WRITTEN DECISION FOR AN APPEAL HE OR SHE
14 HEARS. EACH SUCH WRITTEN DECISION MUST EITHER BE A SUMMARY
15 DECISION OR A FULL DECISION; HOWEVER, A SUMMARY DECISION MAY
16 ONLY BE ISSUED UPON REQUEST FOR A SUMMARY DECISION MADE BY BOTH
17 PARTIES BEFORE THE BOARD. A FULL DECISION MUST CONTAIN SPECIFIC
18 FINDINGS OF FACT AND CONCLUSIONS OF LAW. A SUMMARY DECISION
19 NEED NOT CONTAIN SPECIFIC FINDINGS OF FACT AND CONCLUSIONS OF
20 LAW. IF THE HEARING OFFICER HAS ISSUED A SUMMARY DECISION, A PARTY
21 DISSATISFIED WITH THE SUMMARY DECISION MAY FILE A WRITTEN
22 REQUEST WITH THE HEARING OFFICER FOR A FULL DECISION. THE WRITTEN
23 REQUEST MUST BE RECEIVED BY THE HEARING OFFICER WITHIN TEN
24 WORKING DAYS AFTER THE DATE ON WHICH THE SUMMARY DECISION WAS
25 MAILED, AND TIMELY FILING OF THE WRITTEN REQUEST WITH THE HEARING
26 IS A PREREQUISITE TO REVIEW OF THE HEARING OFFICER'S DECISION BY THE
27 COURT OF APPEALS.

1 (5) THE BOARD MAY MODIFY, REVERSE, REMAND FOR FURTHER
2 FINDINGS, OR VACATE A HEARING OFFICER'S WRITTEN DECISION, BUT IF IT
3 TAKES NO ACTION WITHIN THIRTY DAYS FROM THE DATE OF THE WRITTEN
4 DECISION, THE SAME IS DEEMED THE BOARD'S DECISION AND SUBJECT TO
5 JUDICIAL REVIEW BY THE COURT OF APPEALS AS PROVIDED IN SECTION
6 39-8-108 (2) OR 39-10-114.5 (2).

7 **SECTION 3.** In Colorado Revised Statutes, **add** 39-2-132 as
8 follows:

9 **39-2-132. Property tax valuation protest deadline task force**
10 **- creation - membership - duties - repeal.** (1) (a) THE PROPERTY TAX
11 VALUATION PROTEST DEADLINE TASK FORCE, REFERRED TO IN THIS
12 SECTION AS THE "TASK FORCE", IS HEREBY CREATED WITHIN THE DIVISION
13 OF PROPERTY TAXATION. THE TASK FORCE CONSISTS OF THE
14 ADMINISTRATOR OR THE ADMINISTRATOR'S DESIGNEE AND THE
15 FOLLOWING MEMBERS APPOINTED BY THE GOVERNOR ON OR BEFORE
16 JANUARY 1, 2021:

17 (I) THREE MEMBERS WHO ARE COUNTY ASSESSORS, EACH FROM A
18 DIFFERENT CATEGORY COUNTY AS ESTABLISHED IN SECTION 30-2-102;

19 (II) ONE MEMBER WHO IS A SMALL BUSINESS OWNER;

20 (III) ONE MEMBER WHO IS A BUILDING OWNER OR MANAGER; AND

21 (IV) ONE MEMBER WHO REPRESENTS RESIDENTIAL TAXPAYERS.

22 (b) MEMBERS SERVE ON THE TASK FORCE UNTIL ITS REPEAL.
23 MEMBERS SERVE WITHOUT COMPENSATION BUT ARE TO BE REIMBURSED
24 FOR ACTUAL AND REASONABLE EXPENSES INCURRED IN THE
25 PERFORMANCE OF THEIR DUTIES. THE GOVERNOR SHALL FILL ANY
26 VACANCIES THAT MAY OCCUR. THE ADMINISTRATOR OR THE
27 ADMINISTRATOR'S DESIGNEE SHALL CHAIR THE TASK FORCE.

1 (2) THE TASK FORCE SHALL MEET AS NECESSARY TO PERFORM ITS
2 DUTIES, BUT IN NO CASE LESS THAN FOUR TIMES.

3 (3) THE TASK FORCE SHALL CONSIDER CHANGES TO THE
4 DEADLINES AND RELATED ISSUES FOR A TAXPAYER TO PROTEST A
5 PROPERTY TAX VALUATION THAT WOULD ENABLE TAXPAYERS MORE TIME
6 TO REVIEW AND PROTEST A NOTICE OF VALUATION. THE TASK FORCE
7 SHALL ALSO RECOMMEND CHANGES TO OTHER PROPERTY TAX
8 ADMINISTRATIVE DEADLINES AND RELATED ISSUES THAT ARE NECESSARY
9 AS A RESULT OF THE NEW PROTEST DEADLINES.

10 (4) ON OR BEFORE JANUARY 1, 2022, THE TASK FORCE SHALL
11 PROVIDE A REPORT OF ITS RECOMMENDATIONS TO THE TRANSPORTATION
12 AND LOCAL GOVERNMENT AND THE BUSINESS AFFAIRS AND LABOR
13 COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE LOCAL
14 GOVERNMENT AND BUSINESS, LABOR, AND TECHNOLOGY COMMITTEES OF
15 THE SENATE, OR ANY SUCCESSOR COMMITTEES.

16 (5) THE DIVISION OF PROPERTY TAXATION SHALL PROVIDE
17 ADMINISTRATIVE SUPPORT FOR THE TASK FORCE.

18 (6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2022.

19 **SECTION 4.** In Colorado Revised Statutes, 39-5-121, **amend**
20 (1)(a)(I) as follows:

21 **39-5-121. Notice of valuation - legislative declaration.**

22 (1) (a) (I) No later than May 1 in each year, the assessor shall mail to
23 each person who owns land or improvements a notice setting forth the
24 valuation of such land or improvements. For agricultural property, the
25 notice shall separately state the actual value of such land or improvements
26 in the previous year, the actual value in the current year, and the amount
27 of any adjustment in actual value. For all other property, the notice shall

1 state the total actual value of such land and improvements together in the
2 previous year, the total actual value in the current year, and the amount
3 of any adjustment in total actual value. The notice shall not state the
4 valuation for assessment of such land or improvements or combination of
5 land and improvements. Based upon the classification of such taxable
6 property, the notice shall also set forth either the ratio of valuation for
7 assessment to be applied to said actual value of all taxable real property
8 other than residential real property prior to the calculation of property
9 taxes for the current year or the projected ratio of valuation for
10 assessment to be applied to said actual value of residential real property
11 prior to the calculation of property taxes for the current year and that any
12 change or adjustment of the projected ratio of valuation for assessment
13 for residential real property shall not constitute grounds for the protest or
14 abatement of taxes. ~~With the approval of the board of county~~
15 ~~commissioners,~~ The assessor ~~may~~ SHALL include in the notice an estimate
16 of the taxes, ~~that shall be~~ OR A RANGE OF THE TAXES, owed for the current
17 property tax year. ~~If such estimate is included,~~ The notice shall clearly
18 state that the tax amount is merely an estimate based upon the best
19 available information. The notice shall state, in bold-faced type, that the
20 taxpayer has the right to protest any adjustment in valuation but not the
21 estimate of taxes, ~~if such an estimate is included in the notice,~~ the
22 classification of the property that determines the assessment percentage
23 to be applied, and the dates and places at which the assessor will hear
24 such protest. Except as otherwise provided in ~~subparagraph (H) of this~~
25 ~~paragraph (a)~~ SUBSECTION (1)(a)(II) OF THIS SECTION, such notice shall
26 also set forth the following: That, to preserve the taxpayer's right to
27 protest, the taxpayer must notify the assessor either in writing or in person

1 of the taxpayer's objection and protest; that such notice must be delivered,
2 postmarked, or given in person no later than June 1; and that, after such
3 date, the taxpayer's right to object and protest the adjustment in valuation
4 is lost. The notice shall be mailed together with a form that, if completed
5 by the taxpayer, allows the taxpayer to explain the basis for the taxpayer's
6 valuation of the property. Such form may be completed by the taxpayer
7 to initiate an appeal of the assessor's valuation. However, in accordance
8 with section 39-5-122 (2), completion of this form shall not constitute the
9 exclusive means of appealing the assessor's valuation. For the years that
10 intervene between changes in the level of value, if the difference between
11 the actual value of such land or improvements in the previous year and
12 the actual value of such land or improvements in the intervening year as
13 set forth in such notice constitutes an increase in actual value of more
14 than seventy-five percent, the assessor shall mail together with the notice
15 an explanation of the reasons for such increase in actual value.

16 **SECTION 5.** In Colorado Revised Statutes, 39-5-122, **amend** (2)
17 as follows:

18 **39-5-122. Taxpayer's remedies to correct errors.** (2) If any
19 person is of the opinion that his or her property has been valued too high,
20 has been twice valued, or is exempt by law from taxation or that property
21 has been erroneously assessed to such person, he or she may appear
22 before the assessor and object, complete the form mailed with his or her
23 notice of valuation pursuant to section 39-5-121 (1) or (1.5), or file a
24 written letter of objection and protest by mail with the assessor's office
25 before the last day specified in the notice, stating in general terms the
26 reason for the objection and protest. Reasons for the objection and protest
27 may include, but shall not be limited to, the installation and operation of

1 surface equipment relating to oil and gas wells on agricultural land. Any
2 change or adjustment of any ratio of valuation for assessment for
3 residential real property pursuant to section 39-1-104.2 shall not
4 constitute grounds for an objection. If the form initiating an appeal or the
5 written letter of objection and protest is filed by mail, it shall be presumed
6 that it was received as of the day it was postmarked. If the form initiating
7 an appeal or the written letter of objection and protest is hand-delivered,
8 the date it was received by the assessor shall be stamped on the form or
9 letter. As stated in the public notice given by the assessor pursuant to
10 subsection (1) of this section, the taxpayer's notification to the assessor of
11 his or her objection and protest to the adjustment in valuation must be
12 delivered, postmarked, or given in person by June 1 in the case of real
13 property. In the case of personal property, the notice must be postmarked
14 or physically delivered by June 30. All such forms and letters received
15 from protesters shall be presumed to be on time unless the assessor can
16 present evidence to show otherwise. The county shall not prescribe the
17 written form of objection and protest to be used. The protester shall have
18 the opportunity on the days specified in the public notice to present his or
19 her objection in writing or protest in person and be heard, whether or not
20 there has been a change in valuation of such property from the previous
21 year and whether or not any change is the result of a determination by the
22 assessor for the current year or by the state board of equalization for the
23 previous year. If the assessor finds any valuation to be erroneous or
24 otherwise improper, the assessor shall correct the error. IF THE ASSESSOR
25 FINDS THAT HE OR SHE MADE A SYSTEMATIC ERROR AND THE VALUATIONS
26 OF OTHER SIMILAR PROPERTIES ARE INCORRECT, THEN THE ASSESSOR
27 SHALL CORRECT THE ERROR FOR THE OTHER PROPERTIES. If the assessor

1 declines to change any valuation that the assessor has determined, the
2 assessor shall state his or her reasons in writing on the form described in
3 section 39-8-106, shall insert the information otherwise required by the
4 form, and shall mail two copies of the completed form to the person
5 presenting the objection and protest so denied on or before the last regular
6 working day of the assessor in June in the case of real property and on or
7 before July 10 in the case of personal property; except that, if a county
8 has made an election pursuant to section 39-5-122.7 (1), the assessor shall
9 mail the copies on or before August 15 in the case of both real and
10 personal property.

11 **SECTION 6. Act subject to petition - effective date.** This act
12 takes effect at 12:01 a.m. on the day following the expiration of the
13 ninety-day period after final adjournment of the general assembly (August
14 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
15 referendum petition is filed pursuant to section 1 (3) of article V of the
16 state constitution against this act or an item, section, or part of this act
17 within such period, then the act, item, section, or part will not take effect
18 unless approved by the people at the general election to be held in
19 November 2020 and, in such case, will take effect on the date of the
20 official declaration of the vote thereon by the governor.