A BILL FOR AN ACT

CONCERNING DELINQUENT INTEREST PAYMENTS FOR PROPERTY TAX PAYMENTS.

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.)

The bill allows, upon approval of the county treasurer, a board of county commissioners or a city council of a city and county, in a county or city and county that collected 90% or less of the total amount of property taxes between January 1, 2020, and June 1, 2020, than it collected between January 1, 2019, and June 1, 2019, to temporarily reduce, waive, or suspend delinquent interest payments for property tax
payments.

The bill also requires a board of county commissioners or city council to notify local taxing jurisdictions of the intent to reduce, waive, or suspend delinquent property tax interest payments. If a local taxing jurisdiction would be unable to meet its bond payment obligations after the proposed reduction, waiver, or suspension, the local taxing jurisdiction shall notify the board of county commissioners or city council.

Finally, the bill requires a treasurer to advance property tax payments to local taxing jurisdictions to assist the local taxing jurisdictions in the payment of bonded indebtedness payments and monthly operation costs, if the local taxing jurisdiction demonstrates a financial need due to the waiver or reduction of property tax interest rates during the time those rates are reduced or waived.

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

SECTION 1. In Colorado Revised Statutes, 39-10-104.5, add (12) as follows:

39-10-104.5. Payment dates - optional payment dates - failure to pay - delinquency. (12) The board of county commissioners or the city council of a county or city and county that collected ninety percent or less of the total amount of property taxes between January 1, 2020, and June 1, 2020, than the county or city and county collected between January 1, 2019, and June 1, 2019 may, upon approval of the county treasurer, by resolution temporarily reduce or waive the interest rate specified in subsection (3) of this section or entirely suspend the accrual of interest under said subsection (3) of this section for any specified period of time between June 15, 2020, and October 1, 2020. Notice of intent to reduce or waive the interest rate shall be delivered to at least three executives or board officers in local taxing jurisdictions. If a local taxing jurisdiction is
UNABLE TO MEET BOND PAYMENT OBLIGATIONS DUE TO, AND WITHIN THE
PERIOD OF, THE WAIVER OR REDUCTION OF THE INTEREST RATE, SUCH
JURISDICTION SHALL PROVIDE NOTICE TO THE COUNTY OR CITY AND
COUNTY WITHIN SEVENTY-TWO HOURS OF RECEIPT OF NOTICE FROM THE
COUNTY OR CITY AND COUNTY.

SECTION 2. In Colorado Revised Statutes, 39-10-112, add (5)
as follows:

39-10-112. Action to collect unpaid taxes. (5) Any time
between the effective date of this subsection (5) and October 1,
2020, the county treasurer or the officer responsible for the
collection of property taxes for a city and county shall
advance property tax amounts to a local taxing jurisdiction in
the county or city and county to help pay bonded indebtedness
payments or monthly operational costs, if the jurisdiction
demonstrates a financial need due to the waiver or reduction of
interest rates per section 39-10-104.5 during the time period of
the interest rate waiver or reduction. In no case shall the
advance property tax amount exceed ninety percent of the
property tax due to the jurisdiction. Where an advance payment
of property tax is necessary to help pay bonded indebtedness,
and notice was given by the local taxing jurisdiction per section
39-10-104.5 (12), the advance property tax amount shall not
exceed the jurisdiction's shortfall of revenue due to the waiver
or reduction of interest that is necessary to cover the bonded
indebtedness payment and only those who are in receipt of less
than ninety percent of the property taxes due at the time of the
request qualify for advance payment for bonded indebtedness.
SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.