

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

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 21-0102.01 Gregg Fraser x4325

**HOUSE BILL 21-1233**

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**HOUSE SPONSORSHIP**

**Roberts and Will,**

**SENATE SPONSORSHIP**

**Donovan and Winter,**

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**House Committees**

Agriculture, Livestock, & Water  
Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING MODIFICATIONS TO THE REQUIREMENTS FOR CLAIMING**  
102                    **AN INCOME TAX CREDIT FOR THE DONATION OF A PERPETUAL**  
103                    **CONSERVATION EASEMENT.**

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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>.)*

The bill makes the following changes affecting claims for an income tax credit allowed for the donation of a perpetual conservation easement in gross (tax credit):

- Specifies that the division of conservation can be a holder of a conservation easement in gross;

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.

- Eliminates a requirement that amounts deducted for federal income tax purposes for the donation of a conservation easement be added back for purposes of calculating Colorado taxable income;
- Modifies the definition of "taxpayer" to clarify the applicability of the tax credit to donations made by certain nonprofit and governmental entities;
- Modifies the process for filing conservation easement tax credit certificates with income tax returns;
- Eliminates the authority of the executive director of the department of revenue to require additional information regarding the amount and validity of tax credits and to resolve disputes regarding the credits;
- Establishes a process for the department of revenue to track the transfer of and certify the ownership of tax credits;
- Modifies the formula used to calculate the amount of the tax credit;
- Modifies the manner in which the amount of a tax credit is allocated among owners, partners, members, or shareholders of certain legal entities;
- Modifies certain provisions regarding the number of tax credits that may be claimed and the manner of claiming the credits;
- Eliminates the requirement that the donor of an easement is the tax matters representative for purposes of resolving issues and disputes relating to a transferred credit; and
- Eliminates obsolete reporting requirements.

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

2           **SECTION 1.** In Colorado Revised Statutes, 12-15-102, **add** (3)  
 3 as follows:

4           **12-15-102. Division of conservation - creation - director.**

5 (3) TO AID IN THE ADMINISTRATION AND ENFORCEMENT OF THIS ARTICLE  
 6 15, THE DIVISION HAS THE AUTHORITY TO ACCEPT GRANTS FOR AND ACT  
 7 AS A HOLDER OF CONSERVATION EASEMENTS IN GROSS.

8           **SECTION 2.** In Colorado Revised Statutes, 38-30.5-104, **amend**  
 9 (2) as follows:

10           **38-30.5-104. Creation of conservation easements in gross.**

1 (2) A conservation easement in gross may only be created through a  
2 grant to or a reservation by a governmental entity, INCLUDING THE  
3 DIVISION OF CONSERVATION CREATED IN SECTION 12-15-102, or a grant to  
4 or a reservation by a charitable organization exempt under section 501  
5 (c)(3) of the federal "Internal Revenue Code of 1986", as amended, which  
6 organization was created at least two years prior to receipt of the  
7 conservation easement.

8 **SECTION 3.** In Colorado Revised Statutes, 39-21-113, **add** (29)  
9 as follows:

10 **39-21-113. Reports and returns - rule. (29)** NOTWITHSTANDING  
11 THE PROVISIONS OF THIS SECTION:

12 (a) THE EXECUTIVE DIRECTOR MAY PROVIDE SUCH DETAILED  
13 TAXPAYER INFORMATION PERTINENT TO A CLAIM FOR AN INCOME TAX  
14 CREDIT FOR THE DONATION OF A PERPETUAL CONSERVATION EASEMENT IN  
15 GROSS PURSUANT TO SECTION 39-22-522 TO TAXPAYERS, INCLUDING  
16 OWNERS AND TRANSFEREES, WITH CASES INVOLVING COMMON OR  
17 RELATED ISSUES OF FACT OR LAW. WITH THE EXCEPTION OF TAXPAYER  
18 CONTACT INFORMATION, ANY INFORMATION PROVIDED PURSUANT TO THIS  
19 SUBSECTION (29) MUST REMAIN CONFIDENTIAL, AND ALL PERSONS ARE  
20 SUBJECT TO THE LIMITATIONS SPECIFIED IN SUBSECTION (4) OF THIS  
21 SECTION AND THE PENALTIES SPECIFIED IN SUBSECTION (6) OF THIS  
22 SECTION.

23 (b) THE EXECUTIVE DIRECTOR MAY REQUIRE THAT SUCH DETAILED  
24 TAXPAYER INFORMATION PERTINENT TO A CLAIM FOR AN INCOME TAX  
25 CREDIT FOR THE DONATION OF A PERPETUAL CONSERVATION EASEMENT  
26 PURSUANT TO SECTION 39-22-522 AND ANY DOCUMENTATION IN SUPPORT  
27 OF THE CREDIT CLAIMED BE GIVEN TO THE DIVISION OF CONSERVATION AS

1 THE EXECUTIVE DIRECTOR DETERMINES IS NECESSARY IN THE  
2 PERFORMANCE OF THE DEPARTMENT'S FUNCTIONS RELATING TO THE  
3 CREDIT. IN RESOLVING DISPUTES REGARDING THE CREDIT, THE EXECUTIVE  
4 DIRECTOR MAY DISCLOSE SUCH DETAILED TAXPAYER INFORMATION AND  
5 CONSULT WITH THE DIVISION OF CONSERVATION. NOTWITHSTANDING PART  
6 2 OF ARTICLE 72 OF TITLE 24, IN ORDER TO PROTECT THE CONFIDENTIAL  
7 FINANCIAL INFORMATION OF A TAXPAYER, THE EXECUTIVE DIRECTOR  
8 SHALL DENY THE RIGHT TO INSPECT ANY INFORMATION OR  
9 DOCUMENTATION REQUIRED IN ACCORDANCE WITH THIS SUBSECTION (29).

10 **SECTION 4.** In Colorado Revised Statutes, 39-22-522, **amend**  
11 (1), (2.7), (3.5)(b), (3.6), (4)(a)(II.5), (4)(b), (5)(b)(III), (6), (7)  
12 introductory portion, (7)(i), and (7)(j); **repeal** (7)(d), (10), and (11); and  
13 **add** (4)(a)(II.7) and (7.5) as follows:

14 **39-22-522. Credit against tax - conservation easements -**  
15 **definition.** (1) For the purposes of this section:

16 (a) FOR INCOME TAX YEARS COMMENCING PRIOR TO JANUARY 1,  
17 2021, "taxpayer" means a resident individual or a domestic or foreign  
18 corporation subject to the provisions of part 3 of this article, a  
19 partnership, S corporation, or other similar pass-through entity, estate, or  
20 trust that donates a conservation easement as an entity, and a partner,  
21 member, and subchapter S shareholder of such pass-through entity.

22 (b) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
23 1, 2021, "TAXPAYER" MEANS ANY PERSON OR ENTITY FILING A STATE  
24 INCOME TAX RETURN OR A DOMESTIC OR FOREIGN CORPORATION SUBJECT  
25 TO THE PROVISIONS OF PART 3 OF THIS ARTICLE 22, A PARTNERSHIP, S  
26 CORPORATION, OR OTHER SIMILAR PASS-THROUGH ENTITY, ESTATE, TRUST,  
27 NONPROFIT ENTITY, OR AN ENTITY THAT HAS AUTHORITY TO CONDUCT

1 WATER ACTIVITIES, AS DEFINED BY SECTION 37-45.1-102 (3) AND CREATED  
2 PURSUANT TO ARTICLE 41, 45, 46, 47, 48, OR 50 OF TITLE 37, OR ARTICLE  
3 42 OF TITLE 7, THAT CONVEYS A CONSERVATION EASEMENT IN GROSS  
4 PURSUANT TO SECTION 38-30.5-104. A DITCH OR RESERVOIR COMPANY  
5 FORMED PURSUANT TO ARTICLE 42 OF TITLE 7, OR OTHERWISE, IS ENTITLED  
6 TO ACT ON ITS OWN BEHALF IN GRANTING A CONSERVATION EASEMENT  
7 AND EARNING AND TRANSFERRING TAX CREDITS UNDER THIS SECTION,  
8 WHETHER OR NOT ANY OF ITS SHAREHOLDERS OR MEMBERS ARE  
9 GOVERNMENTAL ENTITIES.

10 (2.7) Notwithstanding any other provision, for income tax years  
11 commencing on or after January 1, 2014, no claim for a credit shall be  
12 allowed unless a tax credit certificate is issued by the division of real  
13 estate prior to May 30, 2018, or by the division of conservation on or after  
14 May 30, 2018, in accordance with sections 12-15-105 and 12-15-106 and,  
15 FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2014,  
16 BUT PRIOR TO JANUARY 1, 2022, the taxpayer files the tax credit certificate  
17 with the income tax return filed with the department of revenue.

18 (3.5) (b) (I) For conservation easements donated on or after  
19 January 1, 2014, and subject to the restrictions of section 12-15-106 (4),  
20 the executive director shall have the authority, pursuant to subsection (8)  
21 of this section, to require additional information from the taxpayer or  
22 transferee regarding the amount of ~~the~~ A credit TRANSFERRED PRIOR TO  
23 JANUARY 1, 2021, and the validity of the credit. In resolving disputes  
24 regarding the validity or the amount of a credit allowed pursuant to  
25 subsection (2) of this section, the executive director shall have the  
26 authority, for good cause shown, to review and accept or reject, in whole  
27 or in part, the amount of the credit and the validity of the credit based

1 upon the internal revenue code and federal regulations in effect at the  
2 time of the donation, except those requirements for which authority is  
3 granted to the division of conservation, the director of the division of  
4 conservation, or the conservation easement oversight commission  
5 pursuant to section 12-15-106.

6 (II) FOR TAX CREDIT CERTIFICATES ISSUED BY THE DIVISION FOR  
7 USE ON OR AFTER JANUARY 1, 2021, THE TRANSFEROR AND TRANSFEREE  
8 OF THE TAX CREDIT SHALL JOINTLY FILE A COPY OF THE WRITTEN  
9 TRANSFER AGREEMENT WITH THE DIVISION OF CONSERVATION WITHIN  
10 THIRTY DAYS AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (3.5)(b)(II)  
11 OR THE DATE OF THE TRANSFER, WHICHEVER IS LATER. IF THE CREDIT  
12 BEING TRANSFERRED WAS ISSUED FOR A YEAR OTHER THAN THE YEAR IN  
13 WHICH IT IS TRANSFERRED, THE TRANSFEROR SHALL FURTHER SUBMIT A  
14 COPY OF THE TRANSFEROR'S DR1305 FORM FOR EACH YEAR FROM THE  
15 YEAR FOR WHICH THE CREDIT WAS ISSUED THROUGH THE MOST RECENT  
16 YEAR FOR WHICH TAXES WERE DUE. THE DIVISION SHALL ISSUE A  
17 CERTIFICATE TO THE TRANSFEREE IN THE AMOUNT OF THE TAX CREDIT  
18 TRANSFERRED AND, IF ANY AMOUNT IS RETAINED BY THE TRANSFEROR,  
19 ISSUE A CERTIFICATE TO THE TRANSFEROR IN THE AMOUNT RETAINED. THE  
20 DIVISION SHALL DEVELOP A SYSTEM TO TRACK THE TRANSFERS OF TAX  
21 CREDITS AND TO CERTIFY THE OWNERSHIP OF TAX CREDITS. A  
22 CERTIFICATION BY THE DIVISION OF THE OWNERSHIP AND AMOUNT OF TAX  
23 CREDITS SHALL BE RELIED UPON BY THE DEPARTMENT OF REVENUE AND  
24 THE TRANSFEREE AS BEING ACCURATE, AND NEITHER THE DIVISION NOR  
25 THE DEPARTMENT OF REVENUE SHALL ADJUST THE AMOUNT OF TAX  
26 CREDITS AS TO THE TRANSFEREE; EXCEPT THAT THE DIVISION AND  
27 DEPARTMENT RETAIN ANY REMEDIES IT MAY HAVE AGAINST THE

1 LANDOWNER. THE DIVISION MAY PROMULGATE RULES TO PERMIT  
2 VERIFICATION OF THE OWNERSHIP AND AMOUNT OF THE TAX CREDITS;  
3 EXCEPT THAT ANY RULES PROMULGATED SHALL NOT UNDULY RESTRICT OR  
4 HINDER THE TRANSFER OF THE TAX CREDITS.

5 (3.6) (a) For conservation easements donated on or after January  
6 1, 2014, in order for any taxpayer to qualify for CLAIM the credit provided  
7 for in subsection (2) of this section, the taxpayer must submit the  
8 following in a form, approved by the executive director, to the department  
9 of revenue at the same time as the taxpayer files a return for the taxable  
10 year in which the credit is claimed:

11 (a) (I) A tax credit certificate issued under section 12-15-106; and

12 (II) The information required in ~~subsections (3)(a), (3)(b), (3)(d),~~  
13 ~~and (3)(f)(H)~~ SUBSECTIONS (3)(a) AND (3)(b) of this section.

14 (b) Notwithstanding any other provisions of law, the executive  
15 director retains the authority to administer all issues related to the claim  
16 or use of a tax credit for the donation of a conservation easement that are  
17 not granted to the director of the division of conservation or the  
18 conservation easement oversight commission under section 12-15-106.

19 (c) ~~The information required in paragraph (f) of subsection (3) of~~  
20 ~~this section will no longer be required from the holder of the conservation~~  
21 ~~easement.~~

22 (4) (a) (II.5) For a conservation easement in gross created in  
23 accordance with article 30.5 of title 38 that is donated on or after January  
24 1, 2015, BUT PRIOR TO JANUARY 1, 2021, to a governmental entity or a  
25 charitable organization described in section 38-30.5-104 (2), the credit  
26 provided for in subsection (2) of this section shall be an amount equal to  
27 seventy-five percent of the first one hundred thousand dollars of the fair

1 market value of the donated portion of such conservation easement in  
2 gross when created, and fifty percent of all amounts of the donation in  
3 excess of one hundred thousand dollars; except that in no case shall the  
4 credit exceed five million dollars per donation. Credits shall be issued in  
5 increments of no more than one million five hundred thousand dollars per  
6 year. Credits for easements donated in a prior year shall be eligible for tax  
7 credit certificates in subsequent years in order of application and before  
8 new applications and those credit applications, if any, on the wait list.

9 (II.7) FOR A CONSERVATION EASEMENT IN GROSS CREATED IN  
10 ACCORDANCE WITH ARTICLE 30.5 OF TITLE 38 THAT IS DONATED ON OR  
11 AFTER JANUARY 1, 2021, TO A GOVERNMENTAL ENTITY OR A CHARITABLE  
12 ORGANIZATION DESCRIBED IN SECTION 38-30.5-104 (2), THE CREDIT  
13 PROVIDED FOR IN SUBSECTION (2) OF THIS SECTION IS AN AMOUNT EQUAL  
14 TO NINETY PERCENT OF THE FAIR MARKET VALUE OF THE DONATED  
15 PORTION OF SUCH CONSERVATION EASEMENT IN GROSS WHEN CREATED;  
16 EXCEPT THAT IN NO CASE SHALL THE CREDIT EXCEED FIVE MILLION  
17 DOLLARS PER DONATION. CREDITS SHALL BE ISSUED IN INCREMENTS OF NO  
18 MORE THAN ONE MILLION FIVE HUNDRED THOUSAND DOLLARS PER YEAR.  
19 CREDITS FOR EASEMENTS DONATED IN A PRIOR YEAR ARE ELIGIBLE FOR  
20 TAX CREDIT CERTIFICATES IN SUBSEQUENT YEARS IN ORDER OF  
21 APPLICATION AND BEFORE NEW APPLICATIONS AND THOSE CREDIT  
22 APPLICATIONS, IF ANY, ON THE WAIT LIST.

23 (b) (I) For income tax years commencing on or after January 1,  
24 2000, in the case of a joint tenancy, tenancy in common, partnership, S  
25 corporation, or other similar entity or ownership group that donates a  
26 conservation easement as an entity or group, the amount of the credit  
27 allowed pursuant to subsection (2) of this section shall MUST be allocated



1 to the entity's owners, partners, members, or shareholders in proportion  
2 to the owners', partners', members', or shareholders' distributive shares of  
3 income or ownership percentage from such entity or group.

4 (II) (A) For income tax years commencing on or after January 1,  
5 2000, but prior to January 1, 2003, the total aggregate amount of the  
6 credit allocated to such owners, partners, members, and shareholders shall  
7 not exceed one hundred thousand dollars, and, if any refund is claimed  
8 pursuant to ~~subparagraph (I) of paragraph (b) of subsection (5)~~  
9 SUBSECTION (5)(b)(I) of this section, the aggregate amount of the refund  
10 and the credit claimed by such partners, members, and shareholders shall  
11 not exceed twenty thousand dollars for that income tax year.

12 (B) For income tax years commencing on or after January 1, 2003,  
13 but prior to January 1, 2007, the total aggregate amount of the credit  
14 allocated to such owners, partners, members, and shareholders shall not  
15 exceed two hundred sixty thousand dollars, and, if any refund is claimed  
16 pursuant to ~~subparagraph (I) of paragraph (b) of subsection (5)~~  
17 SUBSECTION (5)(b)(I) of this section, the aggregate amount of the refund  
18 and the credit claimed by such owners, partners, members, and  
19 shareholders shall not exceed fifty thousand dollars for that income tax  
20 year.

21 (C) For income tax years commencing on or after January 1, 2007,  
22 AND PRIOR TO JANUARY 1, 2015, the total aggregate amount of the credit  
23 allocated to such owners, partners, members, and shareholders shall not  
24 exceed three hundred seventy-five thousand dollars, and, if any refund is  
25 claimed pursuant to ~~subparagraph (I) of paragraph (b) of subsection (5)~~  
26 SUBSECTION (5)(b)(I) of this section, the aggregate amount of the refund  
27 and the credit claimed by such owners, partners, members, and

1 shareholders shall not exceed fifty thousand dollars for that income tax  
2 year.

3 (D) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
4 1, 2015, THE TOTAL AGGREGATE AMOUNT OF THE CREDIT ALLOCATED TO  
5 SUCH OWNERS, PARTNERS, MEMBERS, AND SHAREHOLDERS SHALL NOT  
6 EXCEED FIVE MILLION DOLLARS, AND, IF ANY REFUND IS CLAIMED  
7 PURSUANT TO SUBSECTION (5)(b)(I) OF THIS SECTION, THE AGGREGATE  
8 AMOUNT OF THE REFUND AND THE CREDIT CLAIMED BY SUCH OWNERS,  
9 PARTNERS, MEMBERS, AND SHAREHOLDERS SHALL NOT EXCEED FIFTY  
10 THOUSAND DOLLARS FOR THAT INCOME TAX YEAR.

11 (5) (b) (III) If any refund is claimed pursuant to ~~subparagraph (I)~~  
12 ~~of this paragraph (b)~~ SUBSECTION (5)(b)(I) OF THIS SECTION, then the  
13 aggregate amount of the refund and amount of the credit used as an offset  
14 against income taxes, EXCLUDING AMOUNTS TRANSFERRED TO OR USED BY  
15 A TRANSFEREE, for that income tax year shall not exceed fifty thousand  
16 dollars for that income tax year. In the case of a partnership, S  
17 corporation, or other similar pass-through entity that donates a  
18 conservation easement as an entity, if any refund is claimed pursuant to  
19 ~~subparagraph (I) of this paragraph (b)~~ SUBSECTION (5)(b)(I) OF THIS  
20 SECTION, the aggregate amount of the refund and the credit claimed by the  
21 partners, members, or shareholders of the entity shall not exceed the  
22 dollar limitation set forth in this ~~subparagraph (II)~~ SUBSECTION (5)(b)(III)  
23 for that income tax year. Nothing in this ~~subparagraph (II)~~ SUBSECTION  
24 (5)(b)(III) shall limit a taxpayer's ability to claim a credit against taxes  
25 due in excess of fifty thousand dollars in accordance with subsection (4)  
26 of this section.

27 (6) (a) For conservation easements donated prior to January 1,

1 2014, a taxpayer may claim only one tax credit under this section per  
2 income tax year; except that a transferee of a tax credit under subsection  
3 (7) of this section may claim an unlimited number of credits. A taxpayer  
4 who has carried forward or elected to receive a refund of part of the tax  
5 credit in accordance with subsection (5) of this section shall not claim an  
6 additional tax credit under this section for any income tax year  
7 COMMENCING PRIOR TO JANUARY 1, 2014, in which the taxpayer applies  
8 the amount carried forward against income tax due or receives a refund.  
9 A taxpayer TRANSFEROR who has transferred a credit to a transferee  
10 pursuant to subsection (7) of this section shall not claim an additional tax  
11 credit under this section for any income tax year COMMENCING PRIOR TO  
12 JANUARY 1, 2014, in which the transferee uses such transferred credit.  
13 COMMENCING JANUARY 1, 2014, A TAXPAYER MAY CLAIM ONE TAX  
14 CREDIT PER YEAR REGARDLESS OF WHETHER THE TAXPAYER HAS CREDITS  
15 REMAINING FROM ANY PRIOR CONSERVATION EASEMENT DONATION.

16 (b) For conservation easements donated on or after ~~January 1,~~  
17 ~~2014~~ JANUARY 1, 2000, a taxpayer may claim only one tax credit under  
18 this section per income tax year; except that a transferee of a tax credit  
19 under subsection (7) of this section may claim an unlimited number of  
20 credits.

21 (7) For income tax years commencing on or after January 1, 2000,  
22 a taxpayer may transfer all or a portion of a tax credit granted pursuant to  
23 subsection (2) of this section to ~~another taxpayer~~ A TRANSFEREE for such  
24 ~~other taxpayer,~~ as transferee to apply as a credit against the taxes imposed  
25 by this ~~article~~ ARTICLE 22 subject to the following limitations:

26 (d) ~~For any tax year in which a tax credit is transferred pursuant~~  
27 ~~to this subsection (7), both the taxpayer and the transferee shall file~~

1 ~~written statements with their income tax returns specifying the amount of~~  
2 ~~the tax credit that has been transferred. A transferee may not claim a~~  
3 ~~credit transferred pursuant to this subsection (7) unless the taxpayer's~~  
4 ~~written statement verifies the amount of the tax credit claimed by the~~  
5 ~~transferee.~~

6 (i) FOR A DONATION MADE PRIOR TO JANUARY 1, 2014, the donor  
7 of an easement for which a tax credit is claimed or the transferor of a tax  
8 credit CLAIMED FOR THE DONATION OF THE EASEMENT transferred  
9 pursuant to this subsection (7) ~~shall be~~ IS the tax matters representative in  
10 all matters with respect to the credit. The tax matters representative ~~shall~~  
11 ~~be~~ IS responsible for representing and binding the transferees with respect  
12 to all issues affecting the credit, including, but not limited to, the  
13 charitable contribution deduction, the appraisal, notifications and  
14 correspondence from and with the department of revenue, audit  
15 examinations, assessments or refunds, settlement agreements, and the  
16 statute of limitations. The transferee ~~shall be~~ IS subject to the same statute  
17 of limitations with respect to the credit as the transferor of the credit.

18 (j) FOR A TAX CREDIT CLAIMED FOR THE DONATION OF AN  
19 EASEMENT MADE PRIOR TO JANUARY 1, 2014, final resolution of disputes  
20 regarding the tax credit between the department of revenue and the tax  
21 matters representative, including final determinations, compromises,  
22 payment of additional taxes or refunds due, and administrative and  
23 judicial decisions, ~~shall be~~ IS binding on transferees.

24 (7.5) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
25 JANUARY 1, 2021, IN LIEU OF A CREDIT WITH RESPECT TO THE INCOME  
26 TAXES IMPOSED BY THIS ARTICLE 22, THERE IS ALLOWED A TRANSFERABLE  
27 EXPENSE AMOUNT TO EACH QUALIFIED ENTITY THAT DONATES DURING THE

1 TAXABLE YEAR ALL OR PART OF THE VALUE OF A PERPETUAL  
2 CONSERVATION EASEMENT IN GROSS CREATED PURSUANT TO ARTICLE 30.5  
3 OF TITLE 38 UPON REAL PROPERTY THE QUALIFIED ENTITY OWNS TO A  
4 GOVERNMENTAL ENTITY OR A CHARITABLE ORGANIZATION DESCRIBED IN  
5 SECTION 38-30.5-104 (2). A TRANSFERABLE EXPENSE AMOUNT SHALL BE  
6 TREATED IN ALL MANNERS AS A TAX CREDIT FOR PURPOSES OF THIS  
7 SECTION, INCLUDING PROVISIONS GOVERNING THE AMOUNT, VALUATION,  
8 AND TRANSFER OF A TAX CREDIT; EXCEPT THAT THE TRANSFERABLE  
9 EXPENSE AMOUNT MAY ONLY BE TRANSFERRED TO A TRANSFEREE TO BE  
10 CLAIMED BY THE TRANSFEREE AS A CREDIT PURSUANT TO THIS SECTION. A  
11 QUALIFIED ENTITY MAY TRANSFER A TRANSFERABLE EXPENSE AMOUNT TO  
12 BE CLAIMED AS A CREDIT BY A TRANSFEREE PURSUANT TO THIS SECTION  
13 REGARDLESS OF WHETHER THE QUALIFIED ENTITY RECEIVES VALUE IN  
14 EXCHANGE FOR THE TRANSFER.

15 (b) AS USED IN THIS SUBSECTION (7.5), "QUALIFIED ENTITY" MEANS  
16 A GOVERNMENTAL ENTITY THAT MEETS THE DEFINITION OF "TAXPAYER"  
17 AS SET FORTH IN SUBSECTION (1)(b) OF THIS SECTION BUT IS OTHERWISE  
18 EXEMPT FROM THE INCOME TAXES IMPOSED BY THIS ARTICLE 22.

19 ~~(10) On or before July 1, 2008, the department of revenue shall~~  
20 ~~create a report, which shall be made available to the public, on the credits~~  
21 ~~claimed in the previous year in accordance with this section. For each~~  
22 ~~credit claimed for a conservation easement in gross, the report shall~~  
23 ~~summarize by county where the easement is located, the acres under~~  
24 ~~easement, the appraised value of the easement, the donated value of the~~  
25 ~~easement, and the name of any holders of the easement; except that the~~  
26 ~~department shall combine such information for multiple counties where~~  
27 ~~necessary to ensure that the information for no fewer than three~~

1 easements is summarized for any county or combination of counties in the  
2 report. The report shall be updated annually to reflect the same  
3 information for any additional credits that have been granted since the  
4 previous report. This report shall not be required for conservation  
5 easements donated on or after January 1, 2014.

6 (11) ~~On or before December 31, 2007, the department of revenue~~  
7 ~~shall create a report, which shall be made available to the public, with as~~  
8 ~~much of the information specified in paragraph (c) of subsection (3) of~~  
9 ~~this section as is available to the department, summarized by county, for~~  
10 ~~each tax credit claimed for a conservation easement in gross for tax years~~  
11 ~~commencing on or after January 1, 2000. This report shall not be required~~  
12 ~~for conservation easements donated on or after January 1, 2014.~~

13 **SECTION 5. Act subject to petition - effective date.** This act  
14 takes effect at 12:01 a.m. on the day following the expiration of the  
15 ninety-day period after final adjournment of the general assembly; except  
16 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
17 of the state constitution against this act or an item, section, or part of this  
18 act within such period, then the act, item, section, or part will not take  
19 effect unless approved by the people at the general election to be held in  
20 November 2022 and, in such case, will take effect on the date of the  
21 official declaration of the vote thereon by the governor.