

CHAPTER 58

TAXATION

SENATE BILL 22-026

BY SENATOR(S) Ginal and Kirkmeyer, Cooke, Coram, Hinrichsen, Hisey, Jaquez Lewis, Liston, Lundeen, Moreno, Priola, Rankin, Scott, Sonnenberg, Woodward, Zenzinger;
also REPRESENTATIVE(S) Boesenecker and Rich, Bird, Bockenfeld, Gray, Kipp, Pelton, Pico, Valdez A., Woodrow.

AN ACT**CONCERNING AN OIL AND GAS OPERATOR'S SOLE ABILITY TO REVIEW AND PROTEST PROPERTY TAX.**

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

SECTION 1. In Colorado Revised Statutes, 39-5-121, **amend** (1.5)(b) as follows:

39-5-121. Notice of valuation - legislative declaration - repeal.
(1.5) (b) (I) Notwithstanding ~~paragraph (a) of this subsection (1.5)~~ SUBSECTION (1.5)(a) OF THIS SECTION, for taxable REAL PROPERTY AND personal property on oil and gas leaseholds or lands for which the operator has filed the statement required by section 39-7-101 (1), the assessor shall send the notice of valuation only to the operator, who shall accept it. The acceptance of the notice of valuation by the operator shall not be construed as an indication that the operator agrees with the amount of the actual value of the property stated in the notice or as obligating the operator to pay the tax attributable to property in which the operator has no ownership interest. Upon the written request of the county treasurer, the operator shall submit to the treasurer a written statement containing the name and address of each person who has an ownership interest in the property. If the operator fails to submit the statement within thirty days after receiving the request, the operator shall pay a penalty to the treasurer in the amount of one hundred dollars or the amount of tax due on the property, whichever is less.

(II) AS USED IN THIS ARTICLE 5, "WELL OR UNIT OPERATOR" MEANS THE OPERATOR OF EACH WELLSITE OR, IF THERE IS NO OPERATOR, THE OWNER WHO FILED THE STATEMENT WITH THE ASSESSOR PURSUANT TO SECTION 39-7-101.

SECTION 2. In Colorado Revised Statutes, **add** 39-7-110 as follows:

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

39-7-110. Oil and gas operator - definition. (1) AS USED IN THIS ARTICLE 7, "WELL OR UNIT OPERATOR" MEANS THE OPERATOR OF EACH WELLSITE OR, IF THERE IS NO OPERATOR, THE OWNER WHO FILED THE STATEMENT WITH THE ASSESSOR PURSUANT TO SECTION 39-7-101.

(2) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE PARTIAL INTERESTS OF OIL AND GAS FRACTIONAL INTEREST OWNERS ARE NOT SUBJECT TO SEPARATE VALUATION BY THE ASSESSOR AND SHALL BE REPRESENTED BY THE WELL OR UNIT OPERATOR OF EACH WELLSITE. THE WELL OR UNIT OPERATOR IS THE SOLE POINT OF CONTACT FOR ALL NOTIFICATION, REVIEW, AUDIT, PROTEST, ABATEMENT, AND APPEAL PROCEDURES.

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.

Approved: March 30, 2022