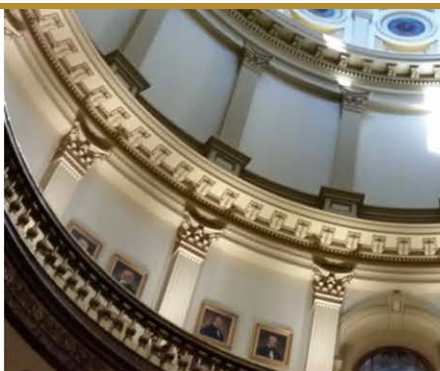


Final Report to the General Assembly

Legislative Oversight Committee Concerning Tax Policy
December 2023 | Research Publication 798



Legislative Oversight Committee Concerning Tax Policy

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Senator Chris Hansen, Vice Chair

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Representative Lisa Frizell

Senator Larry Liston

Representative Bob Marshall

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December | 2023



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December 2023

To Members of the Seventy-fourth General Assembly:

Submitted herewith is the final report of the Legislative Oversight Committee Concerning Tax Policy. This committee was created pursuant to Article 21 of Title 39, Colorado Revised Statutes. The purpose of this committee is to review the state's current tax policy and the tax expenditure reports from the Office of the State Auditor.

At its meeting on November 15, 2023 the Legislative Council reviewed the report of this committee. A motion to forward this report and the bills therein for consideration in the 2024 session was approved.

Sincerely,

/s/ Senator Stephen Fenberg
Chair

Table of Contents

| | |
|--|---|
| Committee Charge | 2 |
| Committee Activities..... | 2 |
| Office of the State Auditor — Tax Expenditure Evaluation Reports | 3 |
| Housing Tax Policy | 4 |
| Tax Lien Sale Process | 5 |
| Proposition 123 Implementation | 5 |
| Additional Committee Recommendations..... | 6 |
| Summary of Recommendations..... | 7 |
| Resource Materials | 8 |
| Meetings and Topics Discussed | 8 |

This report is also available online at:

<https://leg.colorado.gov/committees/legislative-oversight-committee-concerning-tax-policy-task-force/2023-regular-session>

Committee Charge

The Legislative Oversight Committee Concerning Tax Policy (committee) is charged with reviewing the state's current tax policy and the evaluations of tax expenditures that are statutorily completed by the Office of the State Auditor. The committee is also charged with oversight of the Task Force Concerning Tax Policy (task force). For purposes of the committee's work, tax policy includes:

- decisions by the state or local governments regarding taxes that have or may be levied; and
- analysis of the benefits and burdens of the state's overall tax structure with respect to the promotion of certainty, fairness, adequacy, transparency, and administrative ease.

In addition, the committee must annually define in writing the scope of tax policy to be considered for the committee. For 2023, the scope of tax policy to be considered for the committee is:

- tax expenditure evaluations produced by the Office of the State Auditor, and the policy considerations contained therein;
- recommendations, proposals, and studies arising from the work of the task force; and
- other tax expenditure policy considerations arising during the work of the committee.

For 2023, the scope of tax policy to be considered by the task force is:

- applying the state income tax to federal adjusted gross income rather than federal taxable income;
- options for facilitating the construction of affordable housing units through tax policy as well as options for addressing the affordability of home ownership and rental housing through tax policy; and
- the creation of a "permanent fund" associated with the state's levy and collection of severance tax.

Committee Activities

The committee held five meetings during the 2023 interim. Briefings and presentations were made by numerous tax-related entities and members of the public on a wide range of subjects, including the:

- Office of the State Auditor;
- Legislative Council Staff;
- Colorado Housing and Financing Authority;
- Center on Budget and Policy Priorities;
- Institute on Taxation and Economic Policy;
- Housing Colorado;
- Cato Institute;
- Department of Local Affairs; and
- Office of Economic Development and International Trade.

The following sections discuss the committee’s activities during the 2023 interim.

Office of the State Auditor — Tax Expenditure Evaluation Reports

The Office of the State Auditor (OSA) presented to the committee on several of their tax expenditure evaluation reports with policy considerations. OSA highlighted several categories of expenditures. In total, the OSA presented evaluation reports on over 25 tax expenditures to the committee:

- catastrophic health insurance deduction;
- medical savings account deductions;
- nonresident disaster relief workers subtraction;
- Colorado tuition program deduction;
- low-emitting vehicles and commercial vehicles used in interstate commerce exemptions;
- rural broadband equipment refund;
- components used to produce renewable energy;
- nonresident aircraft sales & aircraft parts exemptions;
- marijuana-related tax expenditures;
- rural and frontier healthcare preceptor credit;
- Colorado Works program employer credit;
- school-to-career expenses credit;
- job growth credit;
- wildfire mitigation deduction;
- biotechnology sales and use tax refund;
- military service persons reacquiring residency deduction;
- child care facility investment credits;
- first-time home buyer savings account deduction;
- home modification tax credit;
- aviation fuel exemptions;
- newsprint & printer’s ink exemption;
- deduction for wages & salaries due to IRC 280C;
- structural cigarette and tobacco products excise tax expenditures;
- credit for purchase of uniquely valuable motor vehicle registration numbers; and
- long-term care insurance credit.

Information on the tax expenditure evaluation reports covered may be found here:

<https://leg.colorado.gov/content/ilocctptf2023ascheduleandmeetingmaterials>

Committee recommendations. As a result of its discussions, the committee recommends Bill A, which concerns adjusting and modifying certain tax expenditures based on OSA recommendations in tax expenditure evaluation reports. The committee also recommends Bill D, which modifies the duties of OSA related to evaluating tax expenditures and extends the committee and associated task force.

The committee recommended that a bill on long-term care insurance be drafted, but the draft bill was not approved by the committee. The committee also recommended that a bill be drafted on the modification of certain tax expenditures, and the bill draft was incorporated into Bill A.

Housing Tax Policy

The committee heard several presentations related to housing tax policy nationally and in Colorado. Representatives of Legislative Council Staff, the Colorado Housing and Financing Authority (CHFA), Center on Budget and Policy Priorities, the Institute on Taxation and Economic Policy, Housing Colorado, and the Cato Institute presented to the committee on a wide range of housing policy topics.

Legislative Council Staff. Legislative Council Staff presented to the committee on several current Colorado housing tax expenditures. The presentation highlighted the:

- affordable housing tax credit;
- sales tax exemptions for housing authorities and projects owned by housing authorities;
- manufactured home sales tax exemption;
- tiny homes sales tax exemption;
- first-time homebuyer savings account deduction;
- employer assistance for home purchase tax credit;
- federal home mortgage interest deduction;
- homestead exemptions;
- senior housing income tax credit;
- property tax, rent, and heat credit rebate; and
- property tax deferral program.

The presentation may be found here: <https://tinyurl.com/57yt5zp4>.

Colorado Housing and Financing Authority. CHFA provided a wide-ranging presentation on CHFA's work. CHFA provided background on its work and funding since its creation in 1973. CHFA highlighted federal housing tax credits and Colorado's affordable housing tax credit and discussed its work with these credits. CHFA also discussed its work related to homeownership, rental housing, business lending, and in community partnerships. In addition, CHFA discussed its qualified allocation plan that outlines the process for the application for and allocation of housing tax credits. This discussion included data from the most recent rounds of CHFA funding awards. CHFA ended its presentation by discussing a recent audit by OSA, as well as recent challenges in the affordable housing space. CHFA's presentation may be found here: <https://tinyurl.com/bdh2y7ms>.

Center on Budget and Policy Priorities. The Center on Budget and Policy Priorities (CBPP) presented to the committee on ways to address housing affordability for persons with low incomes in Colorado. The presenters discussed rental burdens, rental assistance, and policies to increase access to affordable housing. Discussion included state-funded rental assistance, subsidized development of affordable housing, and renter tax credits. CBPP's presentation may be found here: <https://tinyurl.com/27dau4ch>.

Institute on Taxation and Economic Policy. The Institute on Taxation and Economic Policy (ITEP) presented to the committee on state property tax circuit breaker policies. Property tax circuit breakers are policies that credit back property taxes when taxes exceed a certain percentage of income. ITEP representatives highlighted property tax circuit breakers nationally and options for reform in Colorado. Options include expanding eligibility, raising eligibility levels, and restructuring to a threshold-style circuit breaker. Discussion continued on additional circuit breaker policy design and alternatives to circuit breakers. ITEP’s presentation may be found here: <https://tinyurl.com/467n28nn>.

Housing Colorado. Housing Colorado presented on the organization’s mission and federal and Colorado affordable housing tax credits. Committee discussion with representatives from Housing Colorado included various solutions to affordable housing issues, modular homes, preservation of affordable housing units, and rental assistance.

Cato Institute. A senior advisor to the Cato Institute presented to the committee on the unique challenges Colorado faces related to housing policy. The representative discussed several principles including minimizing the use of intermediaries, understanding the housing marketplace, that housing behaves in a boom-and-bust manner, and urban bias. Solutions highlighted include flexible tax credits, income targeting, local land use regulations, and tax treatment of rental income. Committee discussion with the representative encompassed land use, tenant protections, renter tax credits, and short-term rentals.

Committee recommendations. As a result of its discussions, the committee recommends Bills C and E. Bill C concerns the property tax classification of short term rental properties. Bill E creates a means-tested, refundable income tax credit for income tax year 2024 for seniors who have not claimed a homestead property tax exemption.

Tax Lien Sale Process

The committee heard from a panel about the impacts of the U.S. Supreme Court decision in [*Tyler v. Hennepin County*](#). A representative from the Colorado Attorney General’s Office gave a brief overview of the case and outlined the Attorney General’s [*Formal Opinion 23-01*](#). In addition, several county treasurers discussed the impacts of the case on the tax lien sale process in their county. The panel engaged in conversation with the committee about the impacts of the court case and the Attorney General’s formal opinion on Colorado processes.

Committee recommendations. As a result of its discussions, the committee recommends Bill B, which changes the requirements and processes for issuing treasurer’s deeds.

Proposition 123 Implementation

The Department of Local Affairs (DOLA) and the Office of Economic Development and International Trade (OEDIT) gave the committee an update on the implementation of Proposition 123. Proposition 123, passed in the 2022 general election, dedicates a portion of annual income tax revenue for affordable housing programs administered by DOLA and OEDIT.

DOLA emphasized its outreach and education efforts, as well as its engagement site for interested parties and the public. DOLA discussed its commitment options and requirements, policies, guidelines, and prospective timelines. DOLA also highlighted the current rural resort petition process, compliance discussions with local and tribal governments, and the fast-track approval process. In addition, DOLA discussed the funding for various programs related to homeownership, homelessness, and local planning capacity.

OEDIT, along with their partners at CHFA, presented to the committee on the Affordable Housing Financing Fund and other updates. OEDIT programs include land banking, concessionary debt, and equity investments. In addition, OEDIT discussed the funding and program timelines, as well as future policy decisions around the modular industry and year one objectives.

Presentations may be found here:

<https://leg.colorado.gov/content/ilocctptf2023ascheduleandmeetingmaterials>

Additional Committee Recommendations

The committee also drafted several bills related to tax policy topics.

Earned income tax credit extension. The committee recommended that a bill be drafted on the expansion of the state earned income tax credit (EITC) for tax years 2025 through 2027, but the bill was not approved by the committee. The Colorado EITC is available to taxpayers who claim the federal EITC, and to taxpayers who would otherwise be able to claim the federal EITC but who are ineligible because they do not have a valid social security number.

Income tax credit for unreimbursed disaster losses. The committee recommended that a bill be drafted creating a refundable state income tax credit for an individual who incurred an unreimbursed casualty loss from a declared disaster, but the bill was not approved by the committee. For tax years 2024 through 2028, the bill would have created a credit equal to the total amount of unreimbursed casualty losses up to \$500. The individual may have claimed the credit for any losses during the income tax year or the three prior years. The bill defined a declared disaster as an emergency declared by an executive order or proclamation of the Governor or a local disaster declared by the principal executive officer of a political division. Finally, the bill draft limited the credit to one credit per primary residence even if multiple individuals reside at the residence and file separate income tax returns.

Summary of Recommendations

As a result of the committee's activities, the committee recommended five bills to the Legislative Council for consideration in the 2024 session. At its meeting on November 15, 2023, the Legislative Council approved five recommended bills for introduction. The approved bills are described below.

Bill A — Adjusting Certain Tax Expenditures

The bill repeals, expands, and modifies multiple tax expenditures.

Bill B — Issuance of Treasurer's Deeds

The bill changes requirements and processes for issuing treasurer's deeds.

Bill C — Lodging Property Tax Treatment

The bill classifies property designed for use as a residence, but that is only used for short-term rentals, as lodging property under the definition of hotels and motels. This excludes bed and breakfasts. The bill also requires that homes that are not used as primary residences but are used mostly as short-term rental units be classified and assessed as lodging property, beginning with the 2026 property tax year. These homes will be classified as lodging property if they were leased for short-term stays for more than 90 days during the year.

Bill D — Tax Policy Analysis by the Legislative Branch

The bill modifies the duties of the OSA related to evaluating tax expenditures, requires that the auditor evaluate the use of federal taxable income as the basis for state taxable income and the impact of federal tax law changes, and extends the Legislative Oversight Committee Concerning Tax Policy and Task Force Concerning Tax Policy until 2031.

Bill E — Senior Housing Income Tax Credit

For income tax year 2024, the bill creates a means-tested, refundable income tax credit available to Colorado taxpayers who are at least 65 years old as of the end of the tax year, and whose adjusted gross income falls below a cap, and who have not claimed a homestead property tax exemption for the 2024 property tax year. The amount of the credit depends on the taxpayer's income and filing status. Regardless of income, a taxpayer who also qualifies for the existing property tax, rent, heat rebate during 2024 is eligible to receive the maximum credit.

Resource Materials

Meeting summaries are prepared for each meeting of the committee and contain all handouts provided to the committee. The summaries of meetings and attachments are available at the Division of Archives, 1313 Sherman Street, Denver (303-866-2055). The listing below contains the dates of committee meetings and the topics discussed at those meetings. Meeting summaries are also available on our website at:

<https://leg.colorado.gov/content/committees>

Meetings and Topics Discussed

August 24, 2023

- Committee overview and scope of tax policy to be considered
- Office of the State Auditor tax policy considerations

August 30, 2023

- Office of the State Auditor additional tax policy considerations
- Overview of housing tax policy
- Panel on county tax lien sale process (*Tyler v. Hennepin County*)
- Colorado Housing and Financing Authority

September 7, 2023

- Presentation from the Center on Budget and Policy Priorities
- Presentation from the Institute on Taxation and Economic Policy
- Presentation from Housing Colorado
- Proposition 123: Department of Local Affairs and the Office of Economic Development and International Trade

September 13, 2023

- Presentation from the Cato Institute
- Public testimony
- Committee bill draft requests

October 31, 2023

- Public testimony
- Approval of bill draft requests

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

Bill A

LLS NO. 24-0383.01 Jed Franklin x5484

HOUSE BILL

HOUSE SPONSORSHIP

Weissman and Frizell,

SENATE SPONSORSHIP

Hansen and Kolker, Liston

House Committees

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE ADJUSTMENT OF CERTAIN TAX EXPENDITURES.**

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/>.)

Legislative Oversight Committee Concerning Tax Policy. The bill repeals the following infrequently used tax expenditures:

- The catastrophic health insurance income tax deduction (**sections 2 and 3** of the bill);
- The non-resident disaster relief worker income tax subtraction (**sections 4, 5, and 6**);
- The medical savings account income tax deduction (**sections 7, 8, 9, and 10**);

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

- The childcare facility investment income tax credit (**section 11**);
- The school to career expenses income tax credit (**section 12**);
- The Colorado works program employer income tax credit (**section 13**);
- The income tax credit for purchase of uniquely valuable motor vehicle registration numbers (**section 14**);
- The low-emitting vehicles and commercial vehicles used in interstate commerce sales and use tax exemptions (**sections 15, 16, 17, and 18**);
- The biotechnology sales and use tax refund (**sections 19 and 20**);
- The rural broadband equipment sales and use tax refund (**section 21**);
- The first time home buyer savings account income tax deduction (**sections 22, 23, 24, and 25**);
- The tangible personal property affixed to aircraft sales and use tax exemption (**section 26**);
- The non-resident aircraft sales and aircraft parts sales and use tax exemption (**section 27**);
- The aircraft gasoline and special fuel tax exemption (**section 28**); and
- The cigarette and tobacco bad debt tax credit for cigarette and tobacco wholesalers, distributors, and retailers that write off bad cigarette and tobacco tax debts (**sections 29 and 30**).

The bill also modifies several tax expenditures as follows:

- **Section 31** of the bill eliminates the requirement that the executive director of the department of revenue present the tax profile and expenditure report to the finance committees of the house of representatives and the senate;
- **Section 32** clarifies that the purpose of the college tuition program income tax deduction is to create additional incentives for saving for college tuition not already created by other state or federal law and ends the wildfire mitigation deduction one year earlier than provided for in current law;
- **Section 33** increases the maximum amount of a health-care preceptor income tax credit from \$1,000 to \$2,000, allows for a maximum of 3 credits per income tax year, and increases the maximum aggregate amount of the credit awarded to any one taxpayer from \$1,000 to \$6,000 for any income tax year;
- Currently, the maximum amount a taxpayer may claim for

the wildfire hazard mitigation income tax credit is 25% of \$2,500 in mitigation costs, for a total tax credit maximum of \$625 per income tax year. **Section 34** changes the maximum amount a taxpayer may claim for the credit to \$1,000 per income tax year for income tax years commencing on or after January 1, 2025, but prior to January 1, 2028.

- **Section 35** requires a local government and a nonprofit to file an informational tax return as prescribed by the executive director of the department of revenue (informational tax return) rather than a corporate tax return when claiming an alternative transportation options income tax credit;
- **Section 36** requires a local government and a nonprofit to file an informational tax return when claiming a conservation easement income tax credit;
- **Section 37** requires a local government and a nonprofit to file an informational tax return when claiming an income tax credit for environmental remediation of contaminated land;
- On and after January 1, 2025, **section 38** exempts from sales and use tax the sale, storage, usage, or consumption of a modular home;
- **Section 40** states that the purpose of the renewable energy source sales and use tax exemption is to create additional incentives for developing renewable energy projects not already created by other state or federal law;
- **Section 41** repeals detailed required reporting for enterprise zone tax credits; and
- **Sections 39 and 42** make conforming amendments.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) The office of the state auditor has researched and identified
5 certain tax expenditures that are either unused or very infrequently used;

6 (b) The office of the state auditor has recommended repeal of
7 certain unused or infrequently used tax expenditures;

8 (c) Some of the unused or infrequently used tax expenditures

1 identified by the office of the state auditor to be repealed are:

2 (I) The catastrophic health insurance deduction, as described in
3 sections 10-16-116 and 39-22-104.5;

4 (II) The non-resident disaster relief worker subtraction, as
5 described in sections 39-22-104 (4)(t), 39-22-601 (1)(a)(II), and
6 39-22-604 (19);

7 (III) The medical savings account deduction, as described in
8 sections 39-22-104 (4)(h), 39-22-104.6, 39-22-304, and 39-22-504.7;

9 (IV) The childcare facility investment credit, as described in
10 section 39-22-517;

11 (V) The school to career expenses credit, as described in section
12 39-22-520 (2)(a);

13 (VI) The Colorado works program employer credit, as described
14 in section 39-22-521 (1);

15 (VII) The credit for purchase of uniquely valuable motor vehicle
16 registration numbers, as described in section 39-22-535;

17 (VIII) The low-emitting vehicles and commercial vehicles used
18 in interstate commerce exemptions, as described in sections 30-20-604.5,
19 39-26-113.5, and 39-26-719;

20 (IX) The biotechnology sales and use tax refund, as described in
21 section 39-26-402 (1);

22 (X) The rural broadband equipment sales tax refund, as described
23 in section 39-26-129;

24 (XI) The first time home buyer savings account deduction, as
25 described in sections 39-22-104 (4)(w)(I) and 39-22-4704;

26 (XII) The tangible personal property affixed to aircraft tax
27 exemption, as described in sections 39-26-711 (1)(b) and (2)(b);

1 (XIII) The non-resident aircraft sales and aircraft parts
2 exemptions, as described in section 39-26-711.5;

3 (XIV) The aircraft gasoline tax exemption, as described in section
4 39-27-102.5; and

5 (XV) The structural cigarette and tobacco excise tax expenditures,
6 as described in sections 39-28-104 (4) and 39-28.5-107 (2).

7 (d) Administration of these tax expenditures by the department of
8 revenue is costly and inefficient;

9 (e) Inclusion of these tax expenditures in statute unnecessarily
10 complicates and lengthens the Colorado Revised Statutes;

11 (f) These tax expenditures are so infrequently used that they bring
12 no value to the state; and

13 (g) The repeal of these tax expenditures will cause, at most, only
14 de minimis impact to the state budget.

15 (2) Therefore, the general assembly further finds and declares that
16 the purposes of repealing these infrequently used tax expenditures are to
17 follow the office of the state auditor's recommendations regarding these
18 tax expenditures, to improve the efficiency and lower the cost of
19 administration at the department of revenue, to reduce the length and
20 complexity of the Colorado Revised Statutes, and to remove ineffective
21 tax expenditures and that any de minimis revenue increase that may result
22 from the repeals is incidental to those purposes.

23 **SECTION 2.** In Colorado Revised Statutes, 10-16-116, **amend**
24 (2) and (5) as follows:

25 **10-16-116. Catastrophic health insurance - coverage -**
26 **premium payments - reporting requirements - definitions - short title**
27 **- repeal.** (2) (a) An employer may offer catastrophic health insurance to

1 its employees pursuant to this section.

2 (b) PRIOR TO JANUARY 1, 2025, employees who elect the coverage
3 shall pay the cost of the insurance pursuant to subsection (5) of this
4 section.

5 (c) THIS SUBSECTION (2)(c) AND SUBSECTION (2)(b) OF THIS
6 SECTION ARE REPEALED, EFFECTIVE DECEMBER 31, 2028.

7 (5) (a) PRIOR TO JANUARY 1, 2025, if claiming an exclusion of
8 premium payments for state income tax purposes pursuant to section
9 39-22-104.5, ~~C.R.S.~~, an employee shall elect to purchase catastrophic
10 health insurance by signing a written election, which must be in the form
11 prescribed by the executive director of the department of revenue and
12 signed by the employee prior to the date the employer withholds the first
13 contribution.

14 (b) PRIOR TO JANUARY 1, 2025, an employer shall withhold the
15 premium payments for catastrophic health insurance from the wages of
16 an employee who has elected coverage pursuant to ~~paragraph (a) of this~~
17 ~~subsection (5)~~ SUBSECTION (5)(a) OF THIS SECTION and shall remit the
18 premiums to the insuring entity on the employee's behalf. All premiums
19 collected by an employer are withheld from the employee's wages on a
20 pre-tax basis pursuant to section 39-22-104.5. ~~C.R.S.~~

21 (c) PRIOR TO JANUARY 1, 2025, an employer withholding premium
22 payments from an employee's wages pursuant to ~~paragraph (b) of this~~
23 ~~subsection (5)~~ SUBSECTION (5)(b) OF THIS SECTION shall report the amount
24 withheld to the department of revenue, pursuant to rules promulgated by
25 the executive director of the department.

26 (d) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE DECEMBER 31,
27 2028.

1 **SECTION 3.** In Colorado Revised Statutes, **amend** 39-22-104.5
2 as follows:

3 **39-22-104.5. Pretax payments - catastrophic health insurance**
4 **- repeal.** (1) For income tax years commencing on or after January 1,
5 1995, AND PRIOR TO JANUARY 1, 2025, amounts withheld from an
6 individual's wages that are used to pay for catastrophic health insurance
7 pursuant to and within the limitations prescribed by section 10-16-116,
8 ~~C.R.S.~~, are excluded from the individual's federal taxable income for
9 purposes of the state income tax imposed by section 39-22-104.

10 (2) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2028.

11 **SECTION 4.** In Colorado Revised Statutes, 39-22-104, **amend**
12 (4)(t)(I); and **add** (4)(t)(III) as follows:

13 **39-22-104. Income tax imposed on individuals, estates, and**
14 **trusts - single rate - report - legislative declaration - definitions -**
15 **repeal.** (4) There shall be subtracted from federal taxable income:

16 (t) (I) For income tax years commencing on or after January 1,
17 2015, AND PRIOR TO JANUARY 1, 2025, compensation that would be
18 subject to withholding under section 39-22-604, received by a nonresident
19 individual for performing disaster-related work in the state during a
20 disaster period.

21 (III) THIS SUBSECTION (4)(t) IS REPEALED, EFFECTIVE DECEMBER
22 31, 2028.

23 **SECTION 5.** In Colorado Revised Statutes, 39-22-601, **amend**
24 (1)(a)(II) as follows:

25 **39-22-601. Returns - repeal.** (1) (a) (II) For purposes of this
26 ~~paragraph (a)~~ SUBSECTION (1)(a)(II), a nonresident individual whose only
27 source of income from this state is compensation that is subtracted from

1 federal taxable income under section 39-22-104 (4)(t) need not file a
2 return.

3 (A) THIS SUBSECTION (1)(a)(II) APPLIES TO TAX YEARS
4 COMMENCING BEFORE JANUARY 1, 2025.

5 (B) THIS SUBSECTION (1)(a)(II) IS REPEALED, EFFECTIVE
6 DECEMBER 31, 2028.

7 **SECTION 6.** In Colorado Revised Statutes, 39-22-604, **amend**
8 (19) as follows:

9 **39-22-604. Withholding tax - requirement to withhold - tax**
10 **lien - exemption from lien - annual statement - notice - definitions -**
11 **repeal.** (19) (a) PRIOR TO JANUARY 1, 2025, no amount is required to be
12 deducted and withheld from an employee's wages pursuant to this section
13 for income tax due to the state if the employee's withholding certificate
14 indicates that the compensation is eligible to be subtracted from federal
15 taxable income pursuant to section 39-22-104 (4)(t).

16 (b) THIS SUBSECTION (19) IS REPEALED, EFFECTIVE DECEMBER 31,
17 2028.

18 **SECTION 7.** In Colorado Revised Statutes, 39-22-104, **amend**
19 (4)(h) as follows:

20 **39-22-104. Income tax imposed on individuals, estates, and**
21 **trusts - single rate - report - legislative declaration - definitions -**
22 **repeal.** (4) There shall be subtracted from federal taxable income:

23 (h) (I) PRIOR TO JANUARY 1, 2025, any amount contributed to a
24 medical savings account by an employer pursuant to section 39-22-504.7
25 (2)(e), to the extent such amount is not claimed as a deduction on the
26 taxpayer's federal tax return;

27 (II) THIS SUBSECTION (4)(h) IS REPEALED, EFFECTIVE DECEMBER

1 31, 2028.

2 **SECTION 8.** In Colorado Revised Statutes, **amend** 39-22-104.6
3 as follows:

4 **39-22-104.6. Pretax payments - medical savings accounts -**
5 **repeal.** (1) PRIOR TO JANUARY 1, 2025, to the extent a taxpayer is not
6 otherwise claiming deductions on federal income tax returns for
7 contributions to medical savings accounts, amounts withheld from an
8 individual's wages which are contributed to such individual's medical
9 savings account, pursuant to section 39-22-504.7, are excluded from an
10 individual's federal taxable income for purposes of the state income tax
11 imposed by section 39-22-104.

12 (2) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2028.

13 **SECTION 9.** In Colorado Revised Statutes, 39-22-304, **amend**
14 (3)(k) as follows:

15 **39-22-304. Net income of corporation - legislative declaration**
16 **- definitions - repeal.** (3) There shall be subtracted from federal taxable
17 income:

18 (k) (I) PRIOR TO JANUARY 1, 2025, any amount contributed to a
19 medical savings account pursuant to section 39-22-504.7 (2)(e), to the
20 extent such amount is not claimed as a deduction on the taxpayer's federal
21 tax return;

22 (II) THIS SUBSECTION (3)(k) IS REPEALED, EFFECTIVE DECEMBER
23 31, 2028.

24 **SECTION 10.** In Colorado Revised Statutes, 39-22-504.7,
25 **amend** (1) and (2)(e); and **add** (8) as follows:

26 **39-22-504.7. Medical savings accounts - establishment -**
27 **contributions - distributions - restrictions - taxation - portability -**

1 **repeal.** (1) (a) **Establishment of accounts.** On and after January 1, 1995,
2 AND PRIOR TO JANUARY 1, 2025, an employer may offer to establish
3 medical savings accounts.

4 (b) PRIOR TO JANUARY 1, 2025, an employee on whose behalf a
5 medical savings account has not been established by his or her employer
6 may establish such an account on his or her own behalf.

7 (2) (e) **Employer contributions - tax deduction.** PRIOR TO
8 JANUARY 1, 2025, employer contributions to employee medical savings
9 accounts constitute a deduction from the employers federal taxable
10 income, pursuant to sections 39-22-104 (4)(h) and 39-22-304 (3)(k).

11 (8) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31,
12 2028.

13 **SECTION 11.** In Colorado Revised Statutes, 39-22-517, **amend**
14 (1) and (2); and **add** (4) as follows:

15 **39-22-517. Tax credit for child care center investments -**
16 **repeal.** (1) With respect to taxable years commencing on or after January
17 1, 1992, AND PRIOR TO JANUARY 1, 2025, there is allowed to any person
18 operating a child care center licensed pursuant to section 26-6-905 or
19 26.5-5-309, family child care home licensed pursuant to section
20 26.5-5-309, or foster care home licensed pursuant to section 26-6-905 a
21 credit against the tax imposed by this article 22 in the amount of twenty
22 percent of the taxpayer's annual investment in tangible personal property
23 to be used in such child care center, family child care home, or foster care
24 home.

25 (2) With respect to taxable years commencing on or after July 1,
26 1992, AND PRIOR TO JANUARY 1, 2025, there is allowed to any sole
27 proprietorship, partnership, limited liability corporation, subchapter S

1 corporation, or regular corporation that provides child care facilities that
2 are incidental to their business and are licensed pursuant to section
3 26-6-905 or 26.5-5-309 for the use of its employees a credit against the
4 tax imposed by this article 22 in the amount of ten percent of the
5 taxpayer's annual investment in tangible personal property to be used in
6 such child care facilities.

7 (4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2032.

8 **SECTION 12.** In Colorado Revised Statutes, 39-22-520, **amend**
9 (2)(a); and **add** (4) as follows:

10 **39-22-520. Credit against tax - investment in school-to-career**
11 **program - definitions - repeal.** (2) (a) For income tax years beginning
12 on or after January 1, 1997, AND PRIOR TO JANUARY 1, 2025, there shall
13 be allowed to any person as a credit against the tax imposed by this ~~article~~
14 ARTICLE 22 an amount equal to ten percent of the total qualified
15 investment made in a qualified school-to-career program.

16 (4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2034.

17 **SECTION 13.** In Colorado Revised Statutes, 39-22-521, **amend**
18 (1) introductory portion; and **add** (4) as follows:

19 **39-22-521. Credits against tax - employer expenses - public**
20 **assistance recipients - repeal.** (1) With respect to taxable years
21 commencing on or after January 1, 1998, AND PRIOR TO JANUARY 1, 2025,
22 there shall be allowed to an employer of any person receiving public
23 assistance pursuant to the Colorado works program set forth in part 7 of
24 article 2 of title 26, ~~C.R.S.~~, a credit, for not more than two years, against
25 the tax imposed by this article in the amount of twenty percent of the
26 employer's annual investment in any one or more of the following
27 services that are incidental to the employer's business:

1 (4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2032.

2 **SECTION 14.** In Colorado Revised Statutes, 39-22-535, **amend**
3 (1); and **add** (3) as follows:

4 **39-22-535. Credit for purchase of uniquely valuable motor**
5 **vehicle registration numbers - repeal.** (1) For tax years commencing
6 on or after January 1, 2013, AND PRIOR TO JANUARY 1, 2025, a person
7 who buys the right to use a registration number under section 24-30-2206
8 is allowed a credit against the income taxes imposed by this article 22 for
9 twenty percent of the purchase price of the right to use the registration
10 number that is paid to the Colorado disability funding committee created
11 in section 24-30-2203.

12 (3) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2034.

13 **SECTION 15.** In Colorado Revised Statutes, 30-20-604.5,
14 **amend** (1) as follows:

15 **30-20-604.5. District sales tax - repeal.** (1) (a) The board of any
16 county or of any city that has been authorized to become a city and county
17 pursuant to an amendment to the state constitution that has been approved
18 by the registered electors of the state of Colorado and that subsequently
19 becomes a city and county for the purpose of funding all or a portion of
20 the cost of any improvements constructed or transportation services
21 provided pursuant to section 30-20-603 (1)(a), (1)(a.5), and (1)(c), may
22 levy a sales tax throughout the district upon every transaction or other
23 incident with respect to which a sales tax is authorized pursuant to section
24 29-2-105; except that such tax may be levied only upon those transactions
25 specified in section 39-26-104 (1)(a), (1)(b), (1)(e), and (1)(f). ~~the board~~
26 ~~may, in its discretion, levy or continue to levy a sales tax on the sales of~~
27 ~~low-emitting motor vehicles, power sources, or parts used for converting~~

1 ~~such power sources as specified in section 39-26-719 (1).~~

2 (b) THIS SUBSECTION (1) IS REPEALED, EFFECTIVE DECEMBER 31,
3 2028.

4 **SECTION 16.** In Colorado Revised Statutes, 39-26-113.5,
5 **amend** (1)(a); and **add** (4) as follows:

6 **39-26-113.5. Refund of state sales taxes for vehicles used in**
7 **interstate commerce - fund - repeal.** (1) (a) Except as provided in
8 subsection (3) of this section, ~~for the calendar year commencing on AND~~
9 ~~AFTER~~ January 1, 2011, ~~and for each calendar year thereafter~~ BUT BEFORE
10 JULY 1, 2025, a taxpayer may claim a refund of a percentage of all state
11 sales and use taxes paid by the taxpayer pursuant to this part 1 and part 2
12 of this article on the sale, storage, or use of a model year 2010 or newer
13 truck tractor or semitrailer with a gross vehicle weight rating of fifty-four
14 thousand pounds or greater that is purchased on or after July 1, 2011, BUT
15 BEFORE JULY 1, 2025.

16 (4) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2026.

17 **SECTION 17.** In Colorado Revised Statutes, 42-1-225, **amend**
18 (1) and (2) as follows:

19 **42-1-225. Commercial vehicle enterprise tax fund - creation**
20 **- repeal.** (1) The commercial vehicle enterprise tax fund is hereby
21 created in the state treasury.

22 (a) (I) PRIOR TO JULY 1, 2025, the fund consists of ~~moneys~~ MONEY
23 collected and transmitted to the fund pursuant to section 42-4-1701
24 (4)(a)(II). The general assembly shall annually appropriate the ~~moneys~~
25 MONEY in the fund to cover the actual cost of administering sections
26 39-26-113.5 and 39-30-104 (1)(b). ~~C.R.S. Moneys~~ MONEY in the fund ~~are~~
27 IS continuously appropriated to the department of revenue for the payment

1 of sales and use tax refunds pursuant to section 39-26-113.5. ~~€R.S.~~ After
2 receiving the statement pursuant to section 39-30-104 (1)(b)(VI), ~~€R.S.~~
3 the state treasurer shall credit the total cost of the amount of the tax
4 credits stated therein to the general fund. ~~Any moneys remaining in the~~
5 ~~commercial vehicle enterprise tax fund at the end of the fiscal year shall~~
6 ~~not revert to the general fund.~~

7 (II) THIS SUBSECTION (1)(a) IS REPEALED, EFFECTIVE JULY 1, 2026.

8 (b) ON OR AFTER JULY 1, 2025, THE FUND CONSISTS OF MONEY
9 COLLECTED AND TRANSMITTED TO THE FUND PURSUANT TO SECTION
10 42-4-1701 (4)(a)(II). THE GENERAL ASSEMBLY SHALL ANNUALLY
11 APPROPRIATE THE MONEY IN THE FUND TO COVER THE ACTUAL COST OF
12 ADMINISTERING SECTION 39-30-104 (1)(b). AFTER RECEIVING THE
13 STATEMENT PURSUANT TO SECTION 39-30-104 (1)(b)(VI), THE STATE
14 TREASURER SHALL CREDIT THE TOTAL COST OF THE AMOUNT OF THE TAX
15 CREDITS STATED THEREIN TO THE GENERAL FUND. ANY MONEY REMAINING
16 IN THE COMMERCIAL VEHICLE ENTERPRISE TAX FUND AT THE END OF THE
17 FISCAL YEAR SHALL NOT REVERT TO THE GENERAL FUND.

18 (2) (a) (I) On July 1, 2011, and each July 1 thereafter THROUGH
19 JULY 1, 2024, the department shall allocate one-third of the fund balance,
20 not including the amount appropriated to cover the actual cost of
21 administering sections 39-26-113.5 and 39-30-104 (1)(b), ~~€R.S.~~; to make
22 the sales tax refunds granted in section 39-26-113.5. ~~€R.S.~~

23 (II) THIS SUBSECTION (2)(a) IS REPEALED, EFFECTIVE JULY 1, 2025.

24 (b) (I) On July 1, 2011, and each July 1 thereafter THROUGH JULY
25 1, 2024, the department shall allocate two-thirds of the fund balance, not
26 including the amount appropriated to cover the actual cost of
27 administering sections 39-26-113.5 and 39-30-104 (1)(b), ~~€R.S.~~ to offset

1 the income tax credit granted in section 39-30-104 (1)(b). ~~C.R.S. By~~
2 ~~January 1, 2012, the department shall notify the Colorado economic~~
3 ~~development commission created in section 24-46-102 C.R.S. of the~~
4 ~~amount allocated for such purposes.~~

5 (II) THIS SUBSECTION (2)(b) IS REPEALED, EFFECTIVE JULY 1,
6 2025.

7 (c) ON JULY 1, 2025, AND EACH JULY 1 THEREAFTER, THE
8 DEPARTMENT SHALL ALLOCATE THE FUND BALANCE, NOT INCLUDING THE
9 AMOUNT APPROPRIATED TO COVER THE ACTUAL COST OF ADMINISTERING
10 SECTION 39-30-104 (1)(b), TO OFFSET THE INCOME TAX CREDIT GRANTED
11 IN SECTION 39-30-104 (1)(b).

12 **SECTION 18.** In Colorado Revised Statutes, 39-26-719, **amend**
13 (1)(a) introductory portion, (2) introductory portion, and (2)(b)(I)
14 introductory portion; and **add** (1)(c) and (2)(b)(III) as follows:

15 **39-26-719. Motor vehicles - repeal.** (1) (a) PRIOR TO JANUARY
16 1, 2025, there shall be exempt from taxation under the provisions of part
17 1 of this ~~article~~ ARTICLE 26 the sale of any motor vehicle, power source
18 for any motor vehicle, or parts used for converting the power source for
19 any motor vehicle, if:

20 (c) THIS SUBSECTION (1) IS REPEALED, EFFECTIVE DECEMBER 31,
21 2028.

22 (2) The following shall be exempt from taxation under the
23 provisions of part 2 of this ~~article~~ ARTICLE 26:

24 (b) (I) PRIOR TO JANUARY 1, 2025, the storage, use, or
25 consumption of a motor vehicle, power source for a motor vehicle, and
26 parts used for converting the power source of a motor vehicle, if:

27 (III) THIS SUBSECTION (2)(b) IS REPEALED, EFFECTIVE DECEMBER

1 31, 2028.

2 **SECTION 19.** In Colorado Revised Statutes, 39-26-402, **amend**
3 (1) as follows:

4 **39-26-402. Refund of state sales and use tax for biotechnology**
5 **- application requirements and procedures - repeal.** (1) For the
6 calendar year commencing January 1, 1999, and for each calendar year
7 thereafter PRIOR TO JANUARY 1, 2025, each qualified biotechnology
8 taxpayer shall be allowed to claim a refund of all state sales and use tax
9 paid by the qualified biotechnology taxpayer, pursuant to parts 1 and 2 of
10 this ~~article~~ ARTICLE 26, on the sale, storage, use, or consumption of
11 tangible personal property to be used in Colorado directly and
12 predominately in research and development of biotechnology during that
13 calendar year.

14 **SECTION 20.** In Colorado Revised Statutes, **add** 39-26-403 as
15 follows:

16 **39-26-403. Repeal.** THIS PART 4 IS REPEALED, EFFECTIVE
17 DECEMBER 31, 2028.

18 **SECTION 21.** In Colorado Revised Statutes, 39-26-129, **amend**
19 (3); and **add** (6) as follows:

20 **39-26-129. Refund for property used in rural broadband**
21 **service - legislative declaration - definitions - repeal.** (3) Except as
22 provided in subsection (5) of this section, for the calendar year
23 commencing January 1, 2014, and for each calendar year thereafter PRIOR
24 TO JANUARY 1, 2025, a broadband provider is allowed to claim a refund
25 of all the state sales and use tax the provider pays pursuant to parts 1 and
26 2 of this ~~article~~ ARTICLE 26 for tangible personal property that is installed
27 in a target area for the provision of broadband service.

1 (6) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2028.

2 **SECTION 22.** In Colorado Revised Statutes, 39-22-104, **amend**
3 (3)(k), (4)(w)(I); and **add** (4)(w)(III) as follows:

4 **39-22-104. Income tax imposed on individuals, estates, and**
5 **trusts - single rate - report - legislative declaration - definitions -**
6 **repeal.** (3) There shall be added to the federal taxable income:

7 (k) (I) PRIOR TO JANUARY 1, 2025, the amount recaptured in
8 accordance with section 39-22-4705 (2).

9 (II) THIS SUBSECTION (3)(k) IS REPEALED, EFFECTIVE DECEMBER
10 31, 2028.

11 (4) There shall be subtracted from federal taxable income:

12 (w) (I) For income tax years commencing on or after January 1,
13 2017, AND PRIOR TO JANUARY 1, 2025, to the extent included in federal
14 taxable income and as permitted under part 47 of this ~~article~~ ARTICLE 22,
15 an amount equal to any interest and other income earned on the
16 investment of the money in a first-time home buyer savings account
17 during the taxable year.

18 (III) THIS SUBSECTION (4)(w) IS REPEALED, EFFECTIVE DECEMBER
19 31, 2028.

20 **SECTION 23.** In Colorado Revised Statutes, 39-22-558, **amend**
21 (6) as follows:

22 **39-22-558. Tax credit for employer's contribution to employee**
23 **for eligible expenses in connection with a qualifying home purchase**
24 **- tax preference performance statement - legislative declaration -**
25 **definitions - repeal.** (6) (a) Nothing in this section is intended to
26 preclude an employee who receives a contribution from their employer in
27 accordance with subsection (3) of this section from having a first-time

1 home buyer savings account pursuant to part 47 of this article 22.

2 (b) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE DECEMBER 31,
3 2028.

4 **SECTION 24.** In Colorado Revised Statutes, 39-22-4704, **amend**
5 (1) as follows:

6 **39-22-4704. First-time home buyer savings account - repeal.**

7 (1) Beginning January 1, 2017, AND PRIOR TO JANUARY 1, 2025, any
8 individual may open an account with a financial institution and designate
9 the account, in its entirety, as a first-time home buyer savings account to
10 be used to pay or reimburse a qualified beneficiary's eligible expenses for
11 the purchase of a primary residence in Colorado. An individual may be
12 the account holder of multiple accounts, and an individual may jointly
13 own the account with another person if they file a joint income tax return.
14 To be eligible for the subtraction under section 39-22-104 (4)(w)(I), an
15 account holder must comply with the requirements of this section.

16 **SECTION 25.** In Colorado Revised Statutes, **add** 39-22-4708 as
17 follows:

18 **39-22-4708. Repeal.** THIS PART 47 IS REPEALED, EFFECTIVE
19 DECEMBER 31, 2028.

20 **SECTION 26.** In Colorado Revised Statutes, 39-26-711, **amend**
21 (1) introductory portion, (1)(b), (2) introductory portion, and (2)(b); and
22 **add** (3) as follows:

23 **39-26-711. Aircraft - tangible personal property - repeal.**

24 (1) The following shall be exempt from taxation under the provisions of
25 part 1 of this ~~article~~ ARTICLE 26:

26 (b) PRIOR TO JANUARY 1, 2025, the sale of tangible personal
27 property that is to be permanently affixed or attached as a component part

1 of an aircraft.

2 (2) The following shall be exempt from taxation under the
3 provisions of part 2 of this ~~article~~ ARTICLE 26:

4 (b) PRIOR TO JANUARY 1, 2025, the storage, use, or consumption
5 of any tangible personal property that is to be permanently affixed or
6 attached as a component part of an aircraft.

7 (3) SUBSECTIONS (1)(b) AND (2)(b) OF THIS SECTION ARE
8 REPEALED, EFFECTIVE DECEMBER 31, 2028.

9 **SECTION 27.** In Colorado Revised Statutes, 39-26-711.5,
10 **amend** (1) introductory portion; and **add** (4) as follows:

11 **39-26-711.5. Aircraft - use outside state - repeal.** (1) PRIOR TO
12 JANUARY 1, 2025, the sale, storage, use, and consumption of a new or
13 used aircraft shall be exempt from taxation under the provisions of part
14 1 and part 2 of this article 26 if:

15 (4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2028.

16 **SECTION 28.** In Colorado Revised Statutes, 39-27-102.5,
17 **amend** (2.5)(a)(II) and (2.5)(a)(III); and **add** (2.5)(a)(IV) as follows:

18 **39-27-102.5. Exemptions on tax imposed - ex-tax purchases -**
19 **definition - repeal.** (2.5) (a) (II) PRIOR TO JANUARY 1, 2025, gasoline
20 used by domestic or foreign part 121 air carriers or part 135 commuter air
21 carriers authorized to provide passenger and cargo air transportation
22 services pursuant to the regulations of the office of the secretary of
23 transportation and federal aviation administration of the United States
24 department of transportation is exempt from the tax imposed pursuant to
25 this part 1. For those air carriers that are certificated by the United States
26 department of transportation for both part 121 air carrier operations and
27 part 135 on-demand operations, the provisions of this subsection

1 (2.5)(a)(II) shall not apply to the air carrier's part 135 on-demand
2 operations.

3 (III) PRIOR TO JANUARY 1, 2025, gasoline used by direct air
4 carriers providing air transportation to authorized public charter operators
5 pursuant to 14 CFR 380 is exempt from the tax imposed pursuant to this
6 part 1.

7 (IV) SUBSECTIONS (2.5)(a)(II) AND (2.5)(a)(III) OF THIS SECTION
8 AND THIS SUBSECTION (2.5)(a)(IV) ARE REPEALED, EFFECTIVE DECEMBER
9 31, 2028.

10 **SECTION 29.** In Colorado Revised Statutes, 39-28-104, **amend**
11 (4)(a); and **add** (4)(e) as follows:

12 **39-28-104. Evidence of payment of tax - credits - redemptions**
13 **- repeal.** (4) (a) PRIOR TO JANUARY 1, 2025, credit shall be given by the
14 department to a wholesaler for all taxes levied pursuant to this article and
15 section 21 of article X of the state constitution and paid pursuant to the
16 provisions of this ~~article~~ ARTICLE 28 that are bad debts. Such credit shall
17 offset taxes levied pursuant to this article and section 21 of article X of
18 the state constitution and paid pursuant to the provisions of this article
19 only. No credit shall be given unless the bad debt has been charged off as
20 uncollectible on the books of the wholesaler. Subsequent to receiving the
21 credit, if the wholesaler receives a payment for the bad debt, the
22 wholesaler shall be liable to the department for the amount received and
23 shall remit this amount in the next payment to the department under this
24 section or section 39-28-105.

25 (e) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE DECEMBER 31,
26 2028.

27 **SECTION 30.** In Colorado Revised Statutes, 39-28.5-107,

1 **amend as it will become effective January 1, 2024, (2)(a); and add**
2 **(2)(e) as follows:**

3 **39-28.5-107. When credit may be obtained for tax paid -**
4 **repeal.** (2) (a) PRIOR TO JANUARY 1, 2025, credit shall be given by the
5 department to a distributor or remote retail seller for all taxes levied
6 pursuant to this article 28.5 and section 21 of article X of the state
7 constitution and paid pursuant to the provisions of this article 28.5 that
8 are bad debts. Such credit shall offset taxes levied pursuant to this article
9 28.5 and section 21 of article X of the state constitution and paid pursuant
10 to the provisions of this article 28.5 only. No credit shall be given unless
11 the bad debt has been charged off as uncollectible on the books of the
12 distributor or remote retail seller. Subsequent to receiving the credit, if the
13 distributor or remote retail seller receives a payment for the bad debt, the
14 distributor or remote retail seller shall be liable to the department for the
15 amount received and shall remit this amount in the next payment to the
16 department under section 39-28.5-106.

17 (e) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE DECEMBER 31,
18 2028.

19 **SECTION 31.** In Colorado Revised Statutes, 39-21-303, **amend**
20 **(4); and repeal (3)(b) as follows:**

21 **39-21-303. Tax profile and expenditure report - repeal.**
22 ~~(3) (b) No later than February 1, 2013, and February 1 of every~~
23 ~~odd-numbered year thereafter, the executive director, or his or her~~
24 ~~designee, shall present the tax profile and expenditure report to the~~
25 ~~finance committees of the house of representatives and the senate, or any~~
26 ~~successor committees.~~

27 (4) The reporting requirement set forth in this section is exempt

1 from the provisions of section 24-1-136 (11). ~~C.R.S., and the biennial~~
2 ~~reporting requirement shall remain in effect until changed by the general~~
3 ~~assembly acting by bill.~~

4 **SECTION 32.** In Colorado Revised Statutes, 39-22-104, **amend**
5 (4)(n.5)(I)(A) and (4)(n.5)(IV); and **add** (4)(i)(VI) as follows:

6 **39-22-104. Income tax imposed on individuals, estates, and**
7 **trusts - single rate - report - legislative declaration - definitions -**
8 **repeal.** (4) There shall be subtracted from federal taxable income:

9 (i) (VI) THE PURPOSE OF THE DEDUCTION AUTHORIZED IN THIS
10 SUBSECTION (4)(i) IS TO CREATE ADDITIONAL INCENTIVES FOR SAVING FOR
11 COLLEGE TUITION NOT ALREADY CREATED BY OTHER STATE OR FEDERAL
12 LAW.

13 (n.5) (I) (A) For income tax years commencing on or after January
14 1, 2014, but prior to January 1, 2017, and for income tax years
15 commencing on or after January 1, 2020, but prior to ~~January 1, 2026,~~
16 JANUARY 1, 2025, an amount equal to fifty percent of a landowner's costs
17 incurred in performing wildfire mitigation measures in that income tax
18 year on his or her property located within the state; except that the amount
19 of the deduction claimed in an income tax year shall not exceed two
20 thousand five hundred dollars or the total amount of the landowner's
21 federal taxable income for the income tax year for which the deduction
22 is claimed, whichever is less.

23 (IV) This subsection (4)(n.5) is repealed, effective ~~January 1,~~
24 ~~2030~~ JANUARY 1, 2028.

25 **SECTION 33.** In Colorado Revised Statutes, 39-22-538, **amend**
26 (3)(a) and (3)(b)(I) as follows:

27 **39-22-538. Credit for health-care preceptors working in health**

1 **professional shortage areas - legislative declaration - definitions.**

2 (3) (a) (I) For income tax years commencing on or after January 1, 2017,
3 but prior to ~~January 1, 2033~~ JANUARY 1, 2025, and subject to the
4 requirements of subsection (3)(b)(I)(A) of this section, a taxpayer is
5 allowed a credit against the income taxes imposed by this article 22 in an
6 amount equal to one thousand dollars for a preceptorship provided by the
7 taxpayer during the applicable income tax year for which the credit is
8 claimed.

9 (II) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
10 1, 2025, BUT PRIOR TO JANUARY 1, 2033, AND SUBJECT TO THE
11 REQUIREMENTS OF SUBSECTION (3)(b)(I)(B) OF THIS SECTION, A TAXPAYER
12 IS ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED BY THIS
13 ARTICLE 22 IN AN AMOUNT EQUAL TO TWO THOUSAND DOLLARS FOR EACH
14 PRECEPTORSHIP PROVIDED BY THE TAXPAYER DURING THE APPLICABLE
15 INCOME TAX YEAR FOR WHICH THE CREDIT IS CLAIMED. A CREDIT IS
16 ALLOWED FOR A MAXIMUM OF THREE PRECEPTORSHIPS PER APPLICABLE
17 INCOME TAX YEAR. THE MAXIMUM TOTAL CREDIT IN A TAXABLE YEAR IS
18 SIX THOUSAND DOLLARS.

19 (b) Notwithstanding any other provision of this section:

20 (I) (A) FOR INCOME TAX YEARS COMMENCING BEFORE JANUARY
21 1, 2025, the aggregate amount of the credit awarded to any one taxpayer
22 under this section shall not exceed one thousand dollars for any one
23 income tax year regardless of the number of preceptorships undertaken
24 by the taxpayer during the applicable income tax year or the number of
25 eligible health professional students the taxpayer instructs, trains, or
26 supervises during the applicable income tax year;

27 (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY

1 1, 2025, BUT PRIOR TO JANUARY 1, 2033, THE AGGREGATE AMOUNT OF THE
2 CREDIT AWARDED TO ANY ONE TAXPAYER UNDER THIS SECTION SHALL NOT
3 EXCEED SIX THOUSAND DOLLARS FOR ANY ONE INCOME TAX YEAR
4 REGARDLESS OF THE NUMBER OF PRECEPTORSHIPS UNDERTAKEN BY THE
5 TAXPAYER DURING THE APPLICABLE INCOME TAX YEAR OR THE NUMBER
6 OF ELIGIBLE HEALTH PROFESSIONAL STUDENTS THE TAXPAYER INSTRUCTS,
7 TRAINS, OR SUPERVISES DURING THE APPLICABLE INCOME TAX YEAR.

8 **SECTION 34.** In Colorado Revised Statutes, 39-22-543, **amend**
9 (2)(a) and (4) as follows:

10 **39-22-543. Credit for wildfire hazard mitigation expenses -**
11 **legislative declaration - definitions - repeal.** (2) As used in this section,
12 unless the context otherwise requires:

13 (a) "Costs" means any actual out-of-pocket expense incurred and
14 paid by the landowner TO A THIRD-PARTY SERVICE PROVIDER, documented
15 by receipt, for performing wildfire mitigation measures. "Costs" does not
16 include any inspection or certification fees, in-kind contributions,
17 donations, incentives, or cost sharing associated with performing wildfire
18 mitigation measures. "Costs" does not include expenses paid by the
19 landowner from any grants awarded to the landowner for performing
20 wildfire mitigation measures. "COSTS" DOES NOT INCLUDE ANY AMOUNT
21 PAID BY THE LANDOWNER FOR THE PURCHASE OR RENTAL OF ANY ARTICLE
22 OF TANGIBLE PERSONAL PROPERTY FOR THE LANDOWNER'S OWN USE.

23 (4) (a) For income tax years commencing on or after January 1,
24 2023, but prior to ~~January 1, 2026~~, JANUARY 1, 2025, a landowner with
25 a federal taxable income at or below one hundred twenty thousand dollars
26 for the income tax year commencing on or after January 1, 2023, as
27 adjusted for inflation and rounded to the nearest hundred dollar amount

1 for each income tax year thereafter, is allowed a credit against the income
2 taxes imposed by this article 22 in an amount equal to twenty-five percent
3 of up to two thousand five hundred dollars in costs for wildfire mitigation
4 measures. The maximum total credit in a taxable year is six hundred
5 twenty-five dollars.

6 (b) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
7 1, 2025, BUT PRIOR TO JANUARY 1, 2028, A LANDOWNER WITH A FEDERAL
8 TAXABLE INCOME AT OR BELOW ONE HUNDRED TWENTY THOUSAND
9 DOLLARS FOR THE INCOME TAX YEAR COMMENCING ON OR AFTER
10 JANUARY 1, 2023, AS ADJUSTED FOR INFLATION AND ROUNDED TO THE
11 NEAREST HUNDRED DOLLARS FOR EACH INCOME TAX YEAR THEREAFTER,
12 IS ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED BY THIS
13 ARTICLE 22 IN AN AMOUNT EQUAL TO THE LANDOWNER'S COSTS INCURRED
14 FOR WILDFIRE MITIGATION MEASURES IN AN AMOUNT UP TO ONE
15 THOUSAND DOLLARS. THE MAXIMUM TOTAL CREDIT IN A TAXABLE YEAR
16 IS ONE THOUSAND DOLLARS.

17 **SECTION 35.** In Colorado Revised Statutes, 39-22-509, **amend**
18 (3)(b) as follows:

19 **39-22-509. Credit against tax - employer expenditures for**
20 **alternative transportation options for employees - legislative**
21 **declaration - definitions - repeal.** (3) (b) (I) FOR INCOME TAX YEARS
22 COMMENCING BEFORE JANUARY 1, 2024, a local government or nonprofit
23 organization shall file a corporate income tax return for informational
24 purposes for each income tax year that the local government or nonprofit
25 organization claims the credit allowed in subsection (3)(a) of this section.

26 (II) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
27 1, 2024, BUT BEFORE JANUARY 1, 2025, A LOCAL GOVERNMENT OR

1 NONPROFIT ORGANIZATION THAT CLAIMS THE CREDIT ALLOWED IN
2 SUBSECTION (3)(a) OF THIS SECTION SHALL FILE A RETURN PURSUANT TO
3 SECTION 39-22-601 (7)(b).

4 **SECTION 36.** In Colorado Revised Statutes, 39-22-522, **add** (12)
5 as follows:

6 **39-22-522. Credit against tax - conservation easements -**
7 **definition.** (12) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
8 JANUARY 1, 2024, EVERY TAXPAYER EXEMPT FROM TAXES PURSUANT TO
9 SECTION 39-22-112 THAT CLAIMS THE CREDIT ALLOWED IN THIS SECTION
10 SHALL FILE A RETURN PURSUANT TO SECTION 39-22-601 (7)(b).

11 **SECTION 37.** In Colorado Revised Statutes, 39-22-526, **add**
12 (3.7) as follows:

13 **39-22-526. Credit for environmental remediation of**
14 **contaminated land - legislative declaration - definition - repeal.**
15 (3.7) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1,
16 2024, BUT PRIOR TO JANUARY 1, 2025, EVERY TAXPAYER EXEMPT FROM
17 TAXES PURSUANT TO SECTION 39-22-112 THAT CLAIMS THE CREDIT
18 ALLOWED IN THIS SECTION SHALL FILE A RETURN PURSUANT TO SECTION
19 39-22-601 (7)(b).

20 **SECTION 38.** In Colorado Revised Statutes, 39-26-721, **amend**
21 (3) as follows:

22 **39-26-721. Manufactured homes and tiny homes.** (3) (a) PRIOR
23 TO JANUARY 1, 2025, the sale, storage, usage, or consumption of a
24 manufactured home, as defined in section 39-1-102 (7.8), or a tiny home,
25 as defined in section 24-32-3302 (35), is exempt from taxation under
26 parts 1 and 2 of this article 26.

27 (b) ON AND AFTER JANUARY 1, 2025, THE SALE, STORAGE, USAGE,

1 OR CONSUMPTION OF A MANUFACTURED HOME, AS DEFINED IN SECTION
2 39-1-102 (7.8), A MODULAR HOME, AS DEFINED IN SECTION 39-1-102 (8.3),
3 OR A TINY HOME, AS DEFINED IN SECTION 24-32-3302 (35), IS EXEMPT
4 FROM TAXATION UNDER PARTS 1 AND 2 OF THIS ARTICLE 26.

5 **SECTION 39.** In Colorado Revised Statutes, 29-2-105, **amend**
6 (1)(d)(I)(P) as follows:

7 **29-2-105. Contents of sales tax ordinances and proposals.**

8 (1) The sales tax ordinance or proposal of any incorporated town, city,
9 or county adopted pursuant to this article 2 shall be imposed on the sale
10 of tangible personal property at retail or the furnishing of services, as
11 provided in subsection (1)(d) of this section. Any countywide or
12 incorporated town or city sales tax ordinance or proposal shall include the
13 following provisions:

14 (d) (I) A provision that the sale of tangible personal property and
15 services taxable pursuant to this article 2 is the same as the sale of
16 tangible personal property and services taxable pursuant to section
17 39-26-104, except as otherwise provided in this subsection (1)(d). The
18 sale of tangible personal property and services taxable pursuant to this
19 article 2 is subject to the same sales tax exemptions as those specified in
20 part 7 of article 26 of title 39; except that the sale of the following may be
21 exempted from a town, city, or county sales tax only by the express
22 inclusion of the exemption either at the time of adoption of the initial
23 sales tax ordinance or resolution or by amendment thereto:

24 (P) The exemption for manufactured homes, MODULAR HOMES,
25 and tiny homes set forth in section 39-26-721 (3);

26 **SECTION 40.** In Colorado Revised Statutes, 39-26-724, **add** (3)
27 as follows:

1 **39-26-724. Components used to produce energy from a**
2 **renewable energy source - definitions.** (3) THE PURPOSE OF THE
3 EXEMPTION AUTHORIZED IN THIS SECTION IS TO CREATE ADDITIONAL
4 INCENTIVES FOR DEVELOPING RENEWABLE ENERGY PROJECTS NOT
5 ALREADY CREATED BY OTHER STATE OR FEDERAL LAW.

6 **SECTION 41.** In Colorado Revised Statutes, 39-30-111, **repeal**
7 (2), (3), and (4) as follows:

8 **39-30-111. Department of revenue - enterprise zone data -**
9 **electronic filing - submission of carryforward schedule.** (2) ~~For the~~
10 ~~2012 income tax year and each income tax year thereafter, any taxpayer~~
11 ~~that claims one or more income tax credits pursuant to this article shall~~
12 ~~submit to the department of revenue, along with the taxpayer's state~~
13 ~~income tax return, a full carryforward schedule for each income tax credit~~
14 ~~claimed pursuant to this article.~~

15 (3) ~~For the 2012 income tax year and each income tax year~~
16 ~~thereafter, the department of revenue shall aggregate and report data on~~
17 ~~all of the income tax credits that are claimed pursuant to this article for~~
18 ~~each income tax year. The department shall categorize such aggregated~~
19 ~~data by the date that the income tax credit was certified by an enterprise~~
20 ~~zone administrator, the specific income tax credit allowed pursuant to this~~
21 ~~article that each taxpayer was authorized to claim, and the total amount~~
22 ~~of the income tax credits claimed for each income tax credit allowed~~
23 ~~pursuant to this article.~~

24 (4) ~~The department of revenue shall submit the data collected~~
25 ~~pursuant to subsection (2) of this section and aggregated pursuant to~~
26 ~~subsection (3) of this section to the Colorado office of economic~~
27 ~~development on August 1, 2013, and on August 1 each year thereafter.~~

1 **SECTION 42.** In Colorado Revised Statutes, 39-21-113, **amend**
2 (22) as follows:

3 **39-21-113. Reports and returns - rule - repeal.**

4 (22) Notwithstanding the provisions of this section, the executive
5 director shall supply the Colorado office of economic development with
6 information relating to the actual amount of any enterprise zone tax credit
7 claimed pursuant to article 30 of this title or any CHIPS zone tax credit
8 claimed pursuant to article 36 of this title as well as information
9 submitted to and aggregated by the department pursuant to ~~section~~
10 ~~39-30-111 (2) and (3) and~~ section 39-36-106 (1) and (3) regarding such
11 income tax credits. Any information provided to the office pursuant to
12 this subsection (22) shall remain confidential, and all office employees
13 shall be subject to the limitations set forth in subsection (4) of this section
14 and the penalties contained in subsection (6) of this section. Nothing in
15 this subsection (22) shall prevent the office from making aggregated data
16 regarding enterprise zone and CHIPS zone tax credits available.

17 **SECTION 43. Act subject to petition - effective date.** This act
18 takes effect at 12:01 a.m. on the day following the expiration of the
19 ninety-day period after final adjournment of the general assembly; except
20 that, if a referendum petition is filed pursuant to section 1 (3) of article V
21 of the state constitution against this act or an item, section, or part of this
22 act within such period, then the act, item, section, or part will not take
23 effect unless approved by the people at the general election to be held in
24 November 2024 and, in such case, will take effect on the date of the
25 official declaration of the vote thereon by the governor.

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

Bill B

LLS NO. 24-0384.02 Alison Killen x4350

HOUSE BILL

HOUSE SPONSORSHIP

Frizell and Marshall, Weissman

SENATE SPONSORSHIP

Hansen and Kolker,

House Committees

Senate Committees

A BILL FOR AN ACT

101 CONCERNING PROPERTY SUBJECT TO A PROPERTY TAX LIEN, AND, IN
102 CONNECTION THEREWITH, MODERNIZING STATUTES RELATED TO
103 THE ISSUANCE OF A TREASURER'S DEED FOR PROPERTY SUBJECT
104 TO A PROPERTY TAX LIEN TO ALIGN WITH A FEDERAL SUPREME
105 COURT DECISION.

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/>.)

Legislative Oversight Committee Concerning Tax Policy.
Under current law, a county treasurer is required to issue a treasurer's

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

deed for a property, upon the presentation of a certificate of purchase of a tax lien for that property, if certain redemption and timing conditions are satisfied. **Sections 1 to 3** of the bill end this requirement.

Section 4 establishes a process by which the lawful holder of a certificate of purchase of a tax lien (lawful holder) may apply for a public auction for the sale of a certificate of option for treasurer's deed (public auction). If the public auction results in an "overbid", meaning the purchaser of the sale of a certificate of option for treasurer's deed pays an amount in excess of the value of the tax lien, then the amount of the overbid must be paid in order of recording priority to junior lienors who have filed a notice of intent to redeem. After payment to all lienors, any remaining overbid must be paid to the owner of the property subject to the tax lien. By providing for payment of any remaining overbid amount to the property owner, the bill brings Colorado law into compliance with the United States supreme court's recent decision affirming a property owner's constitutional right to the value of their property in excess of their tax debt.

The bill specifies the required application form and deposit amount for a lawful holder of a certificate of purchase for a tax lien to request a public auction and the notice requirements, including by mailing, publication, and posting. The treasurer must review the title work for the property and include known interested parties in the notice process.

The bill specifies the general manner and timing of the public auction to be conducted by the treasurer. The bill also provides procedural guidance in case of certain events, including continuance of the public auction, the effect of a bankruptcy filing related to the property, the withdrawal of a notice of public auction, and the redemption of the tax lien prior to the public auction.

At the public auction, the treasurer must only accept bids that are greater than the combined value of the amount owed to the lawful holder and the fees and costs incurred by the treasurer in complying with new article 11.5 of title 39. If no such bid is made and paid to the treasurer, then the lawful holder is deemed the purchaser of the certificate of option for treasurer's deed.

If the lawful holder is not the purchaser of the certificate of option for treasurer's deed, the lawful holder is still entitled to redeem the property subject to the tax lien if certain procedural requirements are met, including payment to the purchaser of all sums necessary to redeem. Junior lienholders may also file for redemption, but only as to a portion of the overbid, and only if certain procedural requirements are met. The treasurer may issue a treasurer's deed to the purchaser of a certificate of option for treasurer's deed for the relevant property.

If the property remains unredeemed, the lawful holder of the certificate of option for treasurer's deed may present the certificate, along with other required documentation, to the treasurer and obtain a

treasurer's deed, giving full rights to the property.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-11-120, **amend**
3 (1) and (4) as follows:

4 **39-11-120. Presentation of certificates for deed.** (1) ~~At~~ BEFORE
5 THE EFFECTIVE DATE OF THIS HOUSE BILL 24-_____, any time after the
6 expiration of the term of three years from the date of the sale of any tax
7 lien on any land, or interest therein or improvements thereon, for
8 delinquent taxes, on demand of the purchaser or lawful holder of the
9 certificate of such tax lien, other than the county wherein such property
10 is situated, and on presentation of such certificate of purchase or properly
11 authenticated order of the board of county commissioners, where the
12 certificate has been lost or wrongfully withheld from the owner, and upon
13 proof of compliance with section 39-11-128, the treasurer shall make out
14 a deed for each such lot, parcel, interest, or improvement for which a tax
15 lien was sold and which remains unredeemed and deliver the same to
16 such purchaser or lawful holder of such certificate or order.

17 (4) BEFORE THE EFFECTIVE DATE OF THIS HOUSE BILL 24-_____,
18 whenever any tax lien on any lot or parcel of land, interest therein, or
19 improvement thereon is bid in by or for the county, city, town, or city and
20 county at any tax sale, and a certificate of purchase is made to such
21 county, city, town, or city and county therefor, the treasurer of such
22 county, city, town, or city and county may sell, assign, and deliver any
23 such certificate to any person who desires to purchase the same upon
24 payment to the treasurer of the amount for which said tax lien was bid in
25 by the county, city, town, or city and county with interest and costs

1 accrued thereon from the date of sale, together with a fee for making such
2 assignment, as provided in section 30-1-102, ~~C.R.S.~~, and the taxes
3 assessed thereon since the date of such sale or, in case of a county, city,
4 town, or city and county, for such sum as the board of county
5 commissioners or other board authorized to perform the duties of a board
6 of county commissioners at any regular or special meeting may decide
7 and authorize by order duly entered in the recorded proceedings of such
8 board. BEFORE THE EFFECTIVE DATE OF THIS HOUSE BILL 24-_____,
9 whenever any tax lien on any lot or parcel of land, interest therein, or
10 improvement thereon is bid in by or for a city, town, or city and county,
11 as the case may be, such city, town, or city and county shall be entitled to
12 a deed, as provided for purchasers at tax sales.

13 **SECTION 2.** In Colorado Revised Statutes, 39-11-128, **amend**
14 (1) introductory portion as follows:

15 **39-11-128. Condition precedent to deed - notice.** (1) BEFORE
16 THE EFFECTIVE DATE OF THIS HOUSE BILL 24-_____, before any purchaser,
17 or assignee of such purchaser, of a tax lien on any land, town or city lot,
18 or mining claim sold for taxes or special assessments due either to the
19 state or any county or incorporated town or city within the same at any
20 sale of tax liens for delinquent taxes levied or assessments authorized by
21 law is entitled to a deed for the land, lot, or claim so purchased, he shall
22 make request upon the treasurer, who shall then comply with the
23 following:

24 **SECTION 3.** In Colorado Revised Statutes, 39-11-142, **amend**
25 (1), (2), (3), (6)(a), (6)(c), and (7) as follows:

26 **39-11-142. Disposition of certificates held by counties.**
27 (1) BEFORE THE EFFECTIVE DATE OF THIS HOUSE BILL 24-_____, in cases

1 where a tax lien on real estate has been struck off to the county at tax
2 sales and the county has held the certificate of sale for three years or
3 more, the board of county commissioners may apply for and receive a tax
4 deed in like manner as is provided by law in the case of delinquent tax
5 sale certificates held by individuals. The board of county commissioners,
6 whenever the county becomes entitled to a tax deed, may cause the
7 treasurer to issue, serve, and publish notices, pursuant to law, of
8 application for such tax deed in like manner as in the case of individual
9 certificate holders.

10 (2) BEFORE THE EFFECTIVE DATE OF THIS HOUSE BILL 24-_____,
11 in cases where the county has held the tax certificate for five years or
12 more and such real estate is not located within the limits of any
13 incorporated town or city within the said county, the county may include
14 in one request or demand any or all separate parcels of real estate for
15 which it holds tax sale certificates for sales in any one year, and the board
16 of county commissioners may apply for and receive tax deeds therefor.
17 BEFORE THE EFFECTIVE DATE OF THIS HOUSE BILL 24-_____, in cases
18 where the county has held the tax certificate for eight years and in the
19 opinion of the board of county commissioners such real estate is not used,
20 operated, or maintained wholly or in part in the interest or for the benefit
21 of the public, said board shall apply for and receive a tax deed therefor.

22 (3) BEFORE THE EFFECTIVE DATE OF THIS HOUSE BILL 24-_____,
23 upon making application in the case of tax certificates held by the
24 counties for five years or more, the treasurer shall not be required to give
25 the notice that a request or demand for tax deed has been made upon him
26 provided for in section 39-11-128. The treasurer, in lieu of such notice,
27 at least sixty days before the day said tax deed issues, shall give notice by

1 registered or certified mail, addressed to the last-known residence of the
2 person in whose name the real estate is assessed for the years during
3 which said taxes have not been paid, that a tax deed has been applied for
4 on the particular described property and that said tax deed will issue on
5 a day certain. BEFORE THE EFFECTIVE DATE OF THIS HOUSE BILL
6 24-_____, the treasurer shall also post in a public place in the county
7 courthouse, at least sixty days before said deed issues, a notice stating that
8 a deed will be issued to the county on the real estate described in said
9 notice. Said notice shall contain the name of the person to whom the
10 property is assessed together with the date said tax deed will issue.

11 (6) (a) BEFORE THE EFFECTIVE DATE OF THIS HOUSE BILL
12 24-_____, in all cases where a tax lien on real property has been struck
13 off to the county at a tax sale and the county has held the certificate of
14 sale for thirty years or more without obtaining a tax deed as provided in
15 this section, then such certificate may be declared void and of no effect.

16 (c) BEFORE THE EFFECTIVE DATE OF THIS HOUSE BILL 24-_____,
17 upon being presented with such list, the board of county commissioners
18 shall determine that the tax liens were struck off to the county, that such
19 certificates of sale relating thereto have been held by the county for thirty
20 years or more, and that no tax deed has been obtained or applied for as
21 provided in this section. Upon making such determination, the board of
22 county commissioners may declare that such certificates are void, and an
23 order to that effect shall be duly entered in the recorded proceedings of
24 the board, which order shall direct the treasurer to cancel such certificates
25 of sale.

26 (7) It is the duty of the treasurer at least once each year to prepare
27 and present, at any regular or special meeting of the board of county

1 commissioners, a list of all tax liens on all real property struck off to the
2 county and all certificates of sale relating thereto, which certificates have
3 been held by the county for three years or more without obtaining a deed
4 or being otherwise disposed of under this article 11 OR ARTICLE 11.5 OF
5 THIS TITLE 39.

6 **SECTION 4.** In Colorado Revised Statutes, **add** article 11.5 to
7 title 39 as follows:

8 **ARTICLE 11.5**

9 **Issuance of Treasurer's Deeds**

10 **39-11.5-101. Definitions.** AS USED IN THIS ARTICLE 11.5, UNLESS
11 THE CONTEXT OTHERWISE REQUIRES:

12 (1) "CERTIFICATE OF OPTION FOR TREASURER'S DEED" MEANS THE
13 CERTIFICATE OF OPTION FOR TREASURER'S DEED ISSUED BY A TREASURER
14 PURSUANT TO SECTION 39-11.5-115 (1).

15 (2) "CERTIFICATE OF PURCHASE" MEANS THE CERTIFICATE OF
16 PURCHASE PREPARED BY A TREASURER FOR THE PURCHASER OF A TAX LIEN
17 IN ACCORDANCE WITH SECTION 39-11-117.

18 (3) "IMMEDIATE FAMILY" MEANS AN INDIVIDUAL'S:

19 (a) SPOUSE;

20 (b) PARTNER IN A CIVIL UNION;

21 (c) PARENT;

22 (d) MINOR CHILD UNDER EIGHTEEN YEARS OF AGE;

23 (e) SIBLING WHO IS UNDER EIGHTEEN YEARS OF AGE AND FOR
24 WHOM THE INDIVIDUAL STANDS IN LOCO PARENTIS; OR

25 (f) SIBLING WHO IS INCAPABLE OF SELF-CARE DUE TO A MENTAL OR
26 PHYSICAL DISABILITY OR A LONG-TERM ILLNESS.

27 (4) "JUNIOR LIEN" MEANS A LIEN OR ENCUMBRANCE UPON THE

1 PROPERTY FOR WHICH THE AMOUNT DUE AND OWING THEREUNDER IS
2 SUBORDINATE TO THE TAX LIEN.

3 (5) "KNOWN INTERESTED PARTY NOTICE" MEANS THE NOTICE THAT
4 INCLUDES:

5 (a) THE INFORMATION REQUIRED BY SECTION 39-11.5-102 (2);

6 (b) THE INFORMATION COLLECTED BY THE TREASURER PURSUANT
7 TO SECTION 39-11-114;

8 (c) THE DATE OF THE PUBLIC AUCTION, INCLUDING, IF APPLICABLE,
9 THE DATE TO WHICH THE TREASURER HAS CONTINUED THE PUBLIC
10 AUCTION PURSUANT TO SECTION 39-11.5-104 (2)(b);

11 (d) IF THE PUBLIC AUCTION IS NOT CONDUCTED BY MEANS OF THE
12 INTERNET OR OTHER ELECTRONIC MEDIUM, THE LOCATION OF THE PUBLIC
13 AUCTION;

14 (e) IF THE PUBLIC AUCTION IS CONDUCTED BY MEANS OF THE
15 INTERNET OR OTHER ELECTRONIC MEDIUM:

16 (I) THE ELECTRONIC ADDRESS FOR THE PUBLIC AUCTION;

17 (II) THE LOCATION OF COMPUTER WORKSTATIONS THAT ARE
18 AVAILABLE TO THE PUBLIC AND INFORMATION ABOUT HOW TO OBTAIN
19 INSTRUCTIONS ON ACCESSING THE PUBLIC AUCTION AND SUBMITTING BIDS;
20 AND

21 (III) A STATEMENT THAT THE BIDDING RULES FOR THE PUBLIC
22 AUCTION WILL BE POSTED ON THE INTERNET OR OTHER ELECTRONIC
23 MEDIUM USED TO CONDUCT THE AUCTION AT LEAST FOURTEEN CALENDAR
24 DAYS BEFORE THE DATE OF THE AUCTION; AND

25 (f) A LEGIBLE COPY OF SECTIONS 39-11.5-104, 39-11.5-111,
26 39-11.5-113, AND 39-11.5-114.

27 (6) "LAWFUL HOLDER" MEANS THE PERSON IN POSSESSION OF A

1 CERTIFICATE OF PURCHASE FOR A TAX LIEN ISSUED IN ACCORDANCE WITH
2 ARTICLE 11 OF THIS TITLE 39, OR THE ASSIGNEE OR ATTORNEY OF SUCH A
3 HOLDER.

4 (7) "LIENOR" MEANS A PERSON WHO IS A BENEFICIARY, HOLDER,
5 OR GRANTEE OF A JUNIOR LIEN ON THE PROPERTY OR THAT PERSON'S
6 ASSIGNEE OR ATTORNEY.

7 (8) "MAILING LIST" MEANS THE LIST ASSEMBLED BY THE
8 TREASURER PURSUANT TO SECTION 39-11.5-104 (2)(a) THAT CONTAINS
9 THE NAMES AND ADDRESSES OF THE FOLLOWING PERSONS:

10 (a) THE ORIGINAL PURCHASER OF THE TAX LIEN;

11 (b) ANY PERSON KNOWN OR BELIEVED BY THE TREASURER TO BE
12 A LIENOR;

13 (c) THE OCCUPANT OF THE PROPERTY, ADDRESSED TO "OCCUPANT"
14 AT THE ADDRESS OF THE PROPERTY AND, IF DIFFERENT, THE PROPERTY
15 OWNER; AND

16 (d) A LESSEE WITH AN UNRECORDED POSSESSORY INTEREST IN THE
17 PROPERTY AT THE ADDRESS OF THE PREMISES OF THE LESSEE AND, IF
18 DIFFERENT, THE ADDRESS OF THE PROPERTY.

19 (9) "OVERBID" MEANS THE AMOUNT IN EXCESS OF THE VALUE OF
20 THE TAX LIEN THAT A CERTIFICATE OF OPTION FOR TREASURER'S DEED IS
21 SOLD FOR AT A PUBLIC AUCTION.

22 (10) "PROPERTY" MEANS THE PROPERTY SUBJECT TO A TAX LIEN,
23 THE CERTIFICATE OF PURCHASE FOR WHICH IS HELD BY A LAWFUL HOLDER.

24 (11) "PROPERTY OWNER" MEANS THE OWNER OF A PROPERTY
25 SUBJECT TO A TAX LIEN, THE CERTIFICATE OF PURCHASE FOR WHICH IS
26 HELD BY A LAWFUL HOLDER.

27 (12) "PUBLIC AUCTION" MEANS AN AUCTION CONDUCTED

1 PURSUANT TO THIS ARTICLE 11.5.

2 (13) "PURCHASER" MEANS:

3 (a) THE PERSON WHO MAKES THE HIGHEST BID FOR THE
4 CERTIFICATE OF OPTION FOR TREASURER'S DEED AT A PUBLIC AUCTION
5 PURSUANT TO THIS ARTICLE 11.5 AND PAYS THE AMOUNT OWED;

6 (b) THE PERSON TO WHOM THE TREASURER OFFERS THE
7 CERTIFICATE OF OPTION FOR TREASURER'S DEED PURSUANT TO SECTION
8 39-11.5-110 (2) AND WHO PAYS THE AMOUNT OWED; OR

9 (c) IF NO VALID BIDS ARE RECEIVED AT THE PUBLIC AUCTION AND
10 PAID AND THE LAWFUL HOLDER DOES NOT FILE A WITHDRAWAL OF THE
11 NOTICE OF PUBLIC AUCTION PURSUANT TO SECTION 39-11.5-106, THE
12 LAWFUL HOLDER BECOMES THE PROPERTY PURCHASER.

13 (14) "TAX LIEN" MEANS THE LIEN ON ANY LAND, TOWN OR CITY
14 LOT, OR MINING CLAIM SOLD FOR SPECIAL ASSESSMENTS, TAXES, OR
15 SPECIAL ASSESSMENTS AND TAXES DUE EITHER TO THE STATE OR ANY
16 COUNTY OR INCORPORATED TOWN OR CITY FOR WHICH THE TREASURER
17 ISSUED A CERTIFICATE OF PURCHASE TO THE LAWFUL HOLDER.

18 (15) "TREASURER" HAS THE SAME MEANING AS SET FORTH IN
19 SECTION 39-1-102 (17), AS APPLIED TO THE COUNTY IN WHICH A PROPERTY
20 IS LOCATED.

21 (16) "TREASURER'S DEED" MEANS THE DEED ISSUED BY THE
22 TREASURER IN ACCORDANCE WITH SECTION 39-11.5-116 (1).

23 **39-11.5-102. Application for public auction - contents - fee.**

24 (1) AT ANY TIME AT LEAST THREE YEARS FROM THE DATE OF THE SALE OF
25 A TAX LIEN PURSUANT TO ARTICLE 11 OF THIS TITLE 39, A LAWFUL HOLDER
26 MAY FILE AN APPLICATION FOR A PUBLIC AUCTION OF A CERTIFICATE OF
27 OPTION FOR TREASURER'S DEED FOR THE PROPERTY SUBJECT TO THE TAX

1 LIEN DESCRIBED IN THE CERTIFICATE OF PURCHASE HELD BY THE LAWFUL
2 HOLDER. IN SO DOING, THE LAWFUL HOLDER SHALL FILE AN APPLICATION
3 FOR PUBLIC AUCTION IN A FORM AND MANNER DETERMINED BY THE
4 TREASURER AS FOLLOWS:

5 **APPLICATION FOR TREASURER'S DEED**
6 **TO THE COUNTY TREASURER OF _____**
7 **COUNTY, COLORADO:**

8 The undersigned, as the holder of Treasurer's Tax Lien Sale
9 Certificate of Purchase No. _____ issued pursuant to the
10 tax lien sale held on the ____ day of _____, 20__, for
11 the taxes and/or special assessments for the tax year
12 _____ hereby request that you, as County Treasurer, give
13 notice and take such proceedings as are required by
14 39-11.5-102, C.R.S., so that the undersigned may begin the
15 process to obtain a Treasurer's Deed to the property
16 described in said Treasurer's Tax Lien Sale Certificate,
17 more particularly described as follows, to-wit:

18 **LEGAL DESCRIPTION:**
19 situated in the County of _____, State of
20 Colorado.

21 **PROPERTY ADDRESS:** _____

22 **SCHEDULE NUMBER:** _____

23 **PARCEL NUMBER:** _____

24 **CURRENT ASSESSED OWNER:** _____

25 **T.D. REFERENCE NUMBER:** _____

26 **THE AMOUNT OF THE OUTSTANDING**
27 **INVESTMENT BALANCE OF THE TAX LIEN AS**

1 APPLICATION.

2 **39-11.5-104. Notice of public auction.** (1) NO MORE THAN
3 TWENTY CALENDAR DAYS AFTER RECORDING THE APPLICATION IN
4 ACCORDANCE WITH SECTION 39-11.5-103 (2), THE TREASURER SHALL MAIL
5 A KNOWN INTERESTED PARTY NOTICE TO THE PROPERTY ADDRESS SET
6 FORTH IN THE APPLICATION AND SHALL PUBLISH THE KNOWN INTERESTED
7 PARTY NOTICE, OMITTING THE REQUIRED COPIES OF STATUTES AND ADDING
8 THE FIRST AND LAST PUBLICATION DATES IF NOT ALREADY SPECIFIED IN
9 THE KNOWN INTERESTED PARTY NOTICE, ON THE TREASURER'S OFFICE
10 WEBSITE.

11 (2) (a) NO MORE THAN TWENTY CALENDAR DAYS AFTER
12 COMPLETING A REVIEW OF RELEVANT COUNTY RECORDS OF THE COUNTY
13 CLERK AND RECORDER CONCERNING THE PROPERTY, THE TREASURER
14 SHALL CREATE A MAILING LIST AND MAIL A KNOWN INTERESTED PARTY
15 NOTICE TO THE PERSONS ON THE MAILING LIST.

16 (b) THE TREASURER SHALL UPDATE THE MAILING LIST AS NEEDED.
17 IF THE TREASURER UPDATES THE MAILING LIST AFTER MAILING OUT THE
18 KNOWN INTERESTED PARTY NOTICE REQUIRED BY SUBSECTION (2)(a) OF
19 THIS SECTION, NOTWITHSTANDING SECTION 39-11.5-105, THE TREASURER
20 SHALL CONTINUE THE PUBLIC AUCTION NO LESS THAN SIXTY-FIVE
21 CALENDAR DAYS AFTER LAST UPDATING THE MAILING LIST.

22 (3) NO MORE THAN SIXTY CALENDAR DAYS NOR LESS THAN
23 FORTY-FIVE CALENDAR DAYS PRIOR TO THE PUBLIC AUCTION, THE
24 TREASURER SHALL POST A KNOWN INTERESTED PARTY NOTICE ON THE
25 PROPERTY.

26 (4) NO MORE THAN SIXTY CALENDAR DAYS NOR LESS THAN
27 FORTY-FIVE CALENDAR DAYS PRIOR TO THE PUBLIC AUCTION, THE

1 TREASURER SHALL PUBLISH THE KNOWN INTERESTED PARTY NOTICE,
2 OMITTING THE REQUIRED COPIES OF STATUTES AND ADDING THE FIRST AND
3 LAST PUBLICATION DATES IF NOT ALREADY SPECIFIED IN THE KNOWN
4 INTERESTED PARTY NOTICE, ON THE TREASURER'S OFFICE WEBSITE.

5 (5) NO LESS THAN TWENTY-EIGHT CALENDAR DAYS PRIOR TO THE
6 PUBLIC AUCTION, THE TREASURER SHALL ALSO POST THE KNOWN
7 INTERESTED PARTY NOTICE, OMITTING THE REQUIRED COPIES OF STATUTES
8 AND ADDING THE FIRST AND LAST PUBLICATION DATES IF NOT ALREADY
9 SPECIFIED IN THE KNOWN INTERESTED PARTY NOTICE, IN A CONSPICUOUS
10 PLACE IN THE TREASURER'S OFFICE OR ON THE TREASURER'S OFFICE
11 WEBSITE.

12 **39-11.5-105. Date of public auction.** THE TREASURER SHALL
13 HOLD THE PUBLIC AUCTION NO MORE THAN ONE HUNDRED TWENTY-FIVE
14 CALENDAR DAYS NOR LESS THAN ONE HUNDRED TEN CALENDAR DAYS
15 AFTER THE DATE OF THE FIRST PUBLICATION.

16 **39-11.5-106. Continuance of public auction - effect of**
17 **bankruptcy - withdrawal of notice of public auction - redemption of**
18 **tax lien prior to public auction. (1) Continuance.** FOR ANY REASON
19 DEEMED BY THE TREASURER TO BE GOOD CAUSE OR UPON WRITTEN
20 REQUEST BY THE LAWFUL HOLDER, AT ANY TIME BEFORE COMMENCEMENT
21 OF THE PUBLIC AUCTION, THE TREASURER MAY CONTINUE THE PUBLIC
22 AUCTION TO A LATER DATE BY MAKING, AT THE TIME AND PLACE
23 DESIGNATED FOR THE PUBLIC AUCTION, AN ORAL ANNOUNCEMENT OF THE
24 TIME AND PLACE OF SUCH CONTINUANCE, OR BY POSTING OR PROVIDING A
25 NOTICE OF THE CONTINUANCE AT THE TIME AND PLACE DESIGNATED FOR
26 THE PUBLIC AUCTION, WHICH NOTICE MUST INCLUDE THE TIME AND PLACE
27 TO WHICH THE PUBLIC AUCTION IS CONTINUED. EXCEPT AS PROVIDED IN

1 SUBSECTION (2)(b)(I) OF THIS SECTION, A PUBLIC AUCTION THAT IS NOT
2 HELD ON THE THEN-SCHEDULED DATE OF PUBLIC AUCTION AND IS NOT
3 CONTINUED FROM THE THEN-SCHEDULED DATE OF PUBLIC AUCTION
4 PURSUANT TO THIS SUBSECTION (1) IS DEEMED CONTINUED FOR A PERIOD
5 OF ONE WEEK, AND FROM WEEK TO WEEK THEREAFTER, UNTIL THE PUBLIC
6 AUCTION IS HELD OR OTHERWISE CONTINUED PURSUANT TO THIS
7 SUBSECTION (1). A PUBLIC AUCTION SHALL NOT BE CONTINUED TO A DATE
8 LATER THAN TWELVE MONTHS FROM THE ORIGINALLY DESIGNATED DATE
9 IN THE NOTICE OF PUBLIC AUCTION, EXCEPT AS PROVIDED IN SUBSECTION
10 (2) OF THIS SECTION.

11 (2) **Effect of bankruptcy proceedings.** (a) IF ALL PUBLICATIONS
12 OF THE KNOWN INTERESTED PARTY NOTICE PRESCRIBED BY SECTION
13 39-11.5-104 HAVE BEEN COMPLETED BEFORE A BANKRUPTCY PETITION
14 HAS BEEN FILED THAT AUTOMATICALLY STAYS THE TREASURER FROM
15 CONDUCTING THE PUBLIC AUCTION, THE TREASURER SHALL ANNOUNCE,
16 POST, OR PROVIDE NOTICE OF THAT FACT ON THE THEN-SCHEDULED DATE
17 OF PUBLIC AUCTION, TAKE NO ACTION AT THE THEN-SCHEDULED PUBLIC
18 AUCTION, AND ALLOW THE PUBLIC AUCTION TO BE AUTOMATICALLY
19 CONTINUED FROM WEEK TO WEEK IN ACCORDANCE WITH SUBSECTION (1)
20 OF THIS SECTION UNLESS OTHERWISE REQUESTED IN WRITING PRIOR TO
21 ANY SUCH DATE OF PUBLIC AUCTION BY THE LAWFUL HOLDER.

22 (b) (I) IF THE PUBLICATIONS OF THE KNOWN INTERESTED PARTY
23 NOTICE PRESCRIBED BY SECTION 39-11.5-104 HAVE NOT BEEN STARTED OR
24 IF ALL THE PUBLICATIONS HAVE NOT BEEN COMPLETED BEFORE THE DAY
25 A BANKRUPTCY PETITION HAS BEEN FILED THAT AUTOMATICALLY STAYS
26 THE TREASURER FROM CONDUCTING THE PUBLIC AUCTION, THE TREASURER
27 SHALL IMMEDIATELY CANCEL ANY REMAINING PUBLICATIONS OF THE

1 KNOWN INTERESTED PARTY NOTICE AND, ON THE DATE SET FOR THE
2 PUBLIC AUCTION, ANNOUNCE, POST, OR PROVIDE A NOTICE THAT THE
3 PUBLIC AUCTION HAS BEEN ENJOINED OR HAS BEEN STAYED BY THE
4 AUTOMATIC STAY PROVISIONS OF THE FEDERAL BANKRUPTCY CODE OF
5 1978, 11 U.S.C. SEC. 101 ET SEQ., AS AMENDED. THE PUBLIC AUCTION
6 SHALL NOT BE CONTINUED UNDER SUBSECTION (1) OF THIS SECTION.

7 (II) (A) UPON THE TERMINATION OF ANY INJUNCTION OR UPON THE
8 ENTRY OF A BANKRUPTCY COURT ORDER DISMISSING THE BANKRUPTCY
9 CASE, ABANDONING THE PROPERTY BEING AUCTIONED, CLOSING THE
10 BANKRUPTCY CASE, OR GRANTING RELIEF FROM THE AUTOMATIC STAY
11 PROVISIONS OF THE FEDERAL BANKRUPTCY CODE OF 1978, 11 U.S.C. SEC.
12 101 ET SEQ., AS AMENDED, AND UPON RECEIPT OF A REQUEST FROM THE
13 LAWFUL HOLDER TO RESTART THE AUCTION, THE TREASURER SHALL
14 RERECORD THE NOTICE OF PUBLIC AUCTION AND DEMAND AND PROCEED
15 WITH ALL ADDITIONAL PUBLIC AUCTION PROCEDURES PROVIDED BY THIS
16 ARTICLE 11.5 AS THOUGH THE PUBLIC AUCTION HAD JUST BEEN
17 COMMENCED.

18 (B) IF THE REQUEST IS NOT RECEIVED BY THE TREASURER WITHIN
19 ONE YEAR FROM THE DATE OF THE TERMINATION OF ANY INJUNCTION OR
20 THE ENTRY OF A BANKRUPTCY COURT ORDER DISMISSING THE
21 BANKRUPTCY CASE, ABANDONING THE PROPERTY BEING AUCTIONED,
22 CLOSING THE BANKRUPTCY CASE, OR GRANTING RELIEF FROM THE
23 AUTOMATIC STAY, THE PUBLIC AUCTION SHALL BE WITHDRAWN
24 ACCORDING TO SUBSECTION (3)(b) OF THIS SECTION.

25 (c) (I) IF A PUBLIC AUCTION IS HELD IN VIOLATION OF THE
26 AUTOMATIC STAY PROVISIONS OF THE FEDERAL BANKRUPTCY CODE OF
27 1978, 11 U.S.C. SEC. 101 ET SEQ., AS AMENDED, AND AN ORDER IS

1 SUBSEQUENTLY ENTERED BY A BANKRUPTCY COURT OF COMPETENT
2 JURISDICTION DISMISSING THE BANKRUPTCY, ABANDONING THE PROPERTY
3 BEING AUCTIONED, OR CLOSING THE BANKRUPTCY CASE, OR AN ORDER IS
4 SUBSEQUENTLY ENTERED GRANTING RELIEF FROM THE AUTOMATIC STAY
5 PROVIDED BY THE FEDERAL BANKRUPTCY CODE, THEN THE TAX LIEN BEING
6 FORECLOSED IS DEEMED REINSTATED, AND THE TAX LIEN HAS THE SAME
7 PRIORITY AS IF THE PUBLIC AUCTION HAD NOT OCCURRED. IMMEDIATELY
8 UPON REINSTATEMENT, THE POWER OF PUBLIC AUCTION PROVIDED
9 THEREIN, IF ANY, IS DEEMED REVIVED.

10 (II) IF THE TREASURER IS NOTIFIED OF THE TAX LIEN REINSTATED
11 PURSUANT TO THIS SUBSECTION (2)(c) BY THE ENTRY OF AN ORDER
12 DISMISSING THE BANKRUPTCY CASE, ABANDONING THE PROPERTY BEING
13 AUCTIONED, CLOSING THE BANKRUPTCY CASE, OR GRANTING RELIEF FROM
14 THE AUTOMATIC STAY PROVIDED BY THE FEDERAL BANKRUPTCY CODE OF
15 1978, 11 U.S.C. SEC. 101 ET SEQ., AS AMENDED, NO LATER THAN FIFTY
16 CALENDAR DAYS PRIOR TO THE LAST POSSIBLE PUBLIC AUCTION DATE
17 PURSUANT TO SUBSECTIONS (1) AND (2)(e) OF THIS SECTION, THE
18 TREASURER SHALL SET A NEW DATE OF PUBLIC AUCTION AT LEAST
19 TWENTY-FOUR CALENDAR DAYS BUT NOT MORE THAN FORTY-NINE
20 CALENDAR DAYS AFTER THE DATE ON WHICH THE TREASURER RECEIVES
21 SUCH NOTICE. NO LATER THAN TEN BUSINESS DAYS AFTER RECEIVING
22 SUCH NOTICE, THE TREASURER SHALL MAIL AN AMENDED KNOWN
23 INTERESTED PARTY NOTICE CONTAINING THE DATE OF THE RESCHEDULED
24 PUBLIC AUCTION TO EACH PERSON APPEARING ON THE MOST RECENT
25 MAILING LIST. NO LATER THAN TWENTY CALENDAR DAYS AFTER
26 RECEIVING SUCH NOTICE, BUT NO LESS THAN TEN CALENDAR DAYS PRIOR
27 TO THE NEW DATE OF PUBLIC AUCTION, THE TREASURER SHALL PUBLISH

1 THE AMENDED KNOWN INTERESTED PARTY NOTICE, OMITTING THE COPIES
2 OF THE STATUTES, ONE TIME ONLY IN A NEWSPAPER OF GENERAL
3 CIRCULATION IN THE COUNTY WHERE THE PROPERTY IS LOCATED.

4 (III) IF THE LAWFUL HOLDER OF THE TAX LIEN REINSTATED
5 PURSUANT TO THIS SUBSECTION (2)(c) DOES NOT NOTIFY THE TREASURER
6 IN WRITING OF THE ENTRY OF AN ORDER DISMISSING THE BANKRUPTCY
7 CASE, ABANDONING THE PROPERTY BEING AUCTIONED, CLOSING THE
8 BANKRUPTCY CASE, OR GRANTING RELIEF FROM THE AUTOMATIC STAY
9 PROVIDED BY THE FEDERAL BANKRUPTCY CODE OF 1978, 11 U.S.C. SEC.
10 101 ET SEQ., AS AMENDED, WITHIN THE TIME ALLOWED UNDER SUBSECTION
11 (2)(c)(II) OF THIS SECTION, THE TREASURER SHALL ADMINISTRATIVELY
12 WITHDRAW THE PUBLIC AUCTION PURSUANT TO SUBSECTION (3)(b) OF THIS
13 SECTION UPON RECEIPT OF THE ORDER DISMISSING THE BANKRUPTCY CASE,
14 ABANDONING THE PROPERTY BEING AUCTIONED, CLOSING THE
15 BANKRUPTCY CASE, OR GRANTING RELIEF FROM THE AUTOMATIC STAY
16 PROVIDED BY THE FEDERAL BANKRUPTCY CODE OF 1978, 11 U.S.C. SEC.
17 101 ET SEQ., AS AMENDED.

18 (IV) ALL FEES AND COSTS OF PROVIDING AND PUBLISHING THE
19 AMENDED KNOWN INTERESTED PARTY NOTICE AND PUBLICATION ARE PART
20 OF THE PUBLIC AUCTION COSTS.

21 (d) IF A PUBLIC AUCTION IS SET ASIDE BY COURT ORDER, UNLESS
22 THE COURT ORDER SPECIFIES OTHERWISE, THE FOLLOWING PROCEDURES
23 APPLY:

24 (I) UPON RECEIPT OF THE COURT ORDER, THE TREASURER'S FEE IN
25 THE SUM OF ONE HUNDRED DOLLARS, AND THE COSTS OF RECORDING THE
26 COURT ORDER, THE TREASURER SHALL ATTACH TO THE ORDER A COPY OF
27 THE CERTIFICATE OF OPTION FOR TREASURER'S DEED, ANY ASSIGNMENTS

1 THEREOF, AND, IF APPLICABLE, THE TREASURER'S DEED, EACH MARKED
2 "NULL AND VOID", AND RECORD THE ORDER TOGETHER WITH THESE
3 DOCUMENTS.

4 (II) UPON RECORDATION OF THE COURT ORDER, THE CERTIFICATE
5 OF OPTION FOR TREASURER'S DEED IS DEEMED CANCELED AS IF THE PUBLIC
6 AUCTION HAD NOT OCCURRED, AND THE TAX LIEN IS DEEMED FULLY
7 REINSTATED WITH THE SAME LIEN PRIORITY AS IF THE PUBLIC AUCTION
8 HAD NOT OCCURRED.

9 (III) WITHIN TEN CALENDAR DAYS AFTER RECEIPT OF ALL
10 DOCUMENTS, FEES, AND COSTS SPECIFIED IN THIS SUBSECTION (2)(d), THE
11 TREASURER SHALL MAIL A COPY OF THE COURT ORDER TO EACH PERSON
12 ENTITLED TO RECEIVE THE KNOWN INTEREST PARTY NOTICE PURSUANT TO
13 SECTION 39-11.5-104.

14 (IV) (A) AFTER THE RECORDATION OF THE COURT ORDER, THE
15 LAWFUL HOLDER OR THE HOLDER'S ASSIGNEE MAY NOTIFY THE TREASURER
16 IN WRITING TO RESCHEDULE THE PUBLIC AUCTION WITHIN ONE YEAR OF
17 THE ISSUANCE OF THE ORDER. THE TREASURER SHALL SET A NEW DATE OF
18 PUBLIC AUCTION AT LEAST THIRTY CALENDAR DAYS BUT NOT MORE THAN
19 FORTY-FIVE CALENDAR DAYS AFTER THE DATE ON WHICH THE TREASURER
20 RECEIVES NOTICE TO SCHEDULE A NEW DATE OF PUBLIC AUCTION SUBJECT
21 TO THE REQUIREMENTS OF SUBSECTIONS (1) AND (2)(e) OF THIS SECTION,
22 BUT NOT EARLIER THAN THE SCHEDULED PUBLIC AUCTION DATE AS OF THE
23 DATE OF THE COURT ORDER.

24 (B) NO LATER THAN TEN CALENDAR DAYS AFTER RECEIVING
25 NOTICE TO SCHEDULE A NEW DATE OF PUBLIC AUCTION, THE TREASURER
26 SHALL MAIL A KNOWN INTERESTED PARTY NOTICE SETTING FORTH THE
27 RESCHEDULED DATE OF PUBLIC AUCTION TO EACH PERSON ENTITLED TO

1 RECEIVE THE KNOWN INTERESTED PARTY NOTICE PURSUANT TO SECTION
2 39-11.5-104.

3 (C) NO LATER THAN TWENTY CALENDAR DAYS AFTER RECEIVING
4 NOTICE TO SCHEDULE A NEW DATE OF PUBLIC AUCTION, BUT NO LESS THAN
5 TEN CALENDAR DAYS PRIOR TO THE NEW DATE OF PUBLIC AUCTION, THE
6 TREASURER SHALL PUBLISH THE PUBLIC AUCTION ONE TIME ONLY. THE
7 PUBLICATION MUST BE IN THE FORMAT SPECIFIED FOR PUBLICATION BY
8 SECTION 39-11.5-104 (4).

9 (D) ALL FEES AND COSTS OF THE TREASURER FOR ACTIONS
10 PERFORMED PURSUANT TO THIS SECTION AND THE COST OF RECORDING THE
11 COURT ORDER AND DOCUMENTS INCORPORATED INTO THE COURT ORDER
12 BY ATTACHMENT ARE PART OF THE PUBLIC AUCTION COSTS.

13 (E) AFTER A PUBLIC AUCTION HAS BEEN SET ASIDE AND
14 SUBSEQUENTLY RESCHEDULED PURSUANT TO THIS SUBSECTION (2)(d)(IV),
15 THE PUBLIC AUCTION MAY BE CONTINUED IN ACCORDANCE WITH
16 SUBSECTIONS (1) AND (2)(e) OF THIS SECTION.

17 (F) IF A WRITTEN REQUEST TO RESCHEDULE THE PUBLIC AUCTION
18 IS NOT RECEIVED BY THE TREASURER WITHIN ONE YEAR OF THE ISSUANCE
19 OF THE ORDER, THE PUBLIC AUCTION MUST BE WITHDRAWN IN
20 ACCORDANCE WITH SUBSECTION (3)(b) OF THIS SECTION.

21 (e) THE PERIODS FOR WHICH A PUBLIC AUCTION MAY BE
22 CONTINUED UNDER THIS SUBSECTION (2) ARE IN ADDITION TO THE
23 TWELVE-MONTH PERIOD OF CONTINUANCE PROVIDED BY SUBSECTION (1)
24 OF THIS SECTION.

25 (3) **Withdrawal.** (a) IF THE LAWFUL HOLDER FILES WITH THE
26 TREASURER, PRIOR TO PUBLIC AUCTION, A WRITTEN WITHDRAWAL OF THE
27 NOTICE OF PUBLIC AUCTION, THE PUBLIC AUCTION IS TERMINATED. THE

1 TREASURER SHALL RECORD THE WITHDRAWAL WITH THE OFFICE OF THE
2 CLERK AND RECORDER AND COLLECT ALL FEES AND COSTS OWED AND
3 INCURRED, INCLUDING A WITHDRAWAL FEE IN THE AMOUNT OF
4 THIRTY-FIVE DOLLARS. THE AMOUNT DUE ACCRUES INTEREST AT THE RATE
5 PROVIDED BY LAW. UNTIL ALL AMOUNTS DUE AND OWING ARE PAID, THE
6 TREASURER IS ENTITLED TO HOLD ALL DOCUMENTATION IN THE
7 TREASURER'S POSSESSION AND TO WITHHOLD ALL OTHER SERVICES
8 REQUESTED BY THE LAWFUL HOLDER WITH RESPECT TO THE TAX LIEN.

9 (b) IF THERE IS NO PUBLIC AUCTION AND IF A WITHDRAWAL IS NOT
10 FILED WITHIN FORTY-FIVE CALENDAR DAYS AFTER THE LAST DATE OF
11 PUBLIC AUCTION PERMITTED BY LAW, THE TREASURER MAY TRANSMIT, BY
12 MAIL OR ELECTRONIC TRANSMISSION TO THE LAWFUL HOLDER, A NOTICE
13 THAT A WITHDRAWAL OF THE NOTICE OF PUBLIC AUCTION MAY BE
14 RECORDED BY THE TREASURER UNLESS A RESPONSE REQUESTING THAT
15 SUCH WITHDRAWAL BE DELAYED FOR NINETY CALENDAR DAYS IS
16 RECEIVED BY THE TREASURER WITHIN THIRTY CALENDAR DAYS AFTER THE
17 DATE THAT THE TREASURER'S NOTICE IS TRANSMITTED. IF SUCH A
18 RESPONSE IS RECEIVED BY THE TREASURER AND THERE IS NO PUBLIC
19 AUCTION NOR IS A WITHDRAWAL FILED WITHIN THE NINETY-DAY DELAY
20 PERIOD, THE TREASURER MAY RECORD A WITHDRAWAL OF THE NOTICE OF
21 PUBLIC AUCTION. IF NO SUCH RESPONSE IS RECEIVED BY THE TREASURER
22 WITHIN THIRTY CALENDAR DAYS AFTER THE NOTICE IS TRANSMITTED, THE
23 TREASURER MAY RECORD A WITHDRAWAL OF THE NOTICE OF PUBLIC
24 AUCTION AT ANY TIME AFTER THE EXPIRATION OF THE THIRTY-DAY NOTICE
25 PERIOD. IF A WITHDRAWAL IS RECORDED DURING THE PENDENCY OF AN
26 AUTOMATIC STAY IMPOSED ON THE PUBLIC AUCTION BASED ON ANY
27 PROCEEDING FILED UNDER THE FEDERAL BANKRUPTCY CODE OF 1978, 11

1 U.S.C. SEC. 101 ET SEQ., AS AMENDED, THE WITHDRAWAL IS VOID AND OF
2 NO FORCE AND EFFECT, AND THE TREASURER SHALL MAIL TO ALL PERSONS
3 ON THE MAILING LIST A NOTICE THAT THE WITHDRAWAL OF THE NOTICE OF
4 PUBLIC AUCTION OCCURRED DURING THE PENDENCY OF AN INJUNCTION OR
5 BANKRUPTCY STAY AND IS VOID AND OF NO FORCE AND EFFECT. THE
6 TREASURER SHALL CAUSE THE NOTICE TO BE RECORDED IN THE OFFICE OF
7 THE COUNTY CLERK AND RECORDER. ALL UNPAID FEES AND COSTS OWED
8 AND INCURRED BY THE TREASURER, AS WELL AS A WITHDRAWAL FEE IN
9 THE AMOUNT OF FIFTY DOLLARS, SHALL BE PAID BY THE LAWFUL HOLDER.
10 THE AMOUNT DUE ACCRUES INTEREST AT THE RATE PROVIDED BY LAW.
11 UNTIL ALL AMOUNTS DUE AND OWING ARE PAID, THE TREASURER IS
12 ENTITLED TO HOLD ALL DOCUMENTATION IN THE TREASURER'S POSSESSION
13 AND TO WITHHOLD ALL OTHER SERVICES REQUESTED BY THE LAWFUL
14 HOLDER WITH RESPECT TO THE TAX LIEN.

15 (4) **Redemption of tax lien prior to public auction.** IF THE TAX
16 LIEN IS REDEEMED PRIOR TO THE PUBLIC AUCTION, THE PERSON WHO
17 REDEEMS THE TAX LIEN SHALL NOTIFY THE TREASURER OF SUCH
18 REDEMPTION AND THE TREASURER SHALL:

- 19 (a) CANCEL THE PUBLIC AUCTION;
20 (b) RECORD A CERTIFICATE OF REDEMPTION;
21 (c) PROVIDE NOTICE OF THE CANCELLATION AND REDEMPTION;

22 AND

- 23 (d) COLLECT ANY FEES OR COSTS ASSOCIATED WITH THE
24 CANCELLATION.

25 **39-11.5-107. Location of public auction - electronic devices -**
26 **definition.** (1) THE TREASURER SHALL CONDUCT THE PUBLIC AUCTION IN
27 ANY BUILDING TEMPORARILY OR PERMANENTLY USED AS A COURTHOUSE,

1 IN ANY BUILDING WHERE THE OFFICE OF THE TREASURER IS LOCATED, OR
2 BY MEANS OF THE INTERNET OR OTHER ELECTRONIC MEDIUM.

3 (2) THE COUNTY AND ITS EMPLOYEES ACTING IN THEIR OFFICIAL
4 CAPACITY IN PREPARING, CONDUCTING, AND EXECUTING A PUBLIC
5 AUCTION PURSUANT TO THIS ARTICLE 11.5 ARE NOT LIABLE FOR THE
6 FAILURE OF A DEVICE THAT PREVENTS A PERSON FROM PARTICIPATING IN
7 A PUBLIC AUCTION. AS USED IN THIS SUBSECTION (2), "DEVICE" INCLUDES,
8 BUT IS NOT LIMITED TO, COMPUTER HARDWARE, A COMPUTER NETWORK,
9 A COMPUTER SOFTWARE APPLICATION, AND AN INTERNET WEBSITE.

10 **39-11.5-108. Conduct of public auction - conduct of treasurer**
11 **- bidding rules - method of payment.** (1) TO CONDUCT THE PUBLIC

12 AUCTION IN AN EFFICIENT AND EQUITABLE MANNER, THE TREASURER IS
13 GRANTED BROAD POWERS TO SET THE BIDDING RULES GOVERNING THE
14 PUBLIC AUCTION. SUCH POWERS INCLUDE:

15 (a) RECOGNIZING BUYERS IN NUMERICAL SEQUENCE, IN ROTATION,
16 OR IN THE ORDER IN WHICH BIDS ARE MADE;

17 (b) DETERMINING THE ORDER IN WHICH THE PUBLIC AUCTION IS
18 CONDUCTED; AND

19 (c) SETTING MINIMUM BID INCREASES.

20 (2) (a) THE TREASURER SHALL ANNOUNCE BIDDING RULES AT THE
21 BEGINNING OF THE PUBLIC AUCTION. THE BIDDING RULES APPLY TO ALL
22 BIDDERS THROUGHOUT THE PUBLIC AUCTION.

23 (b) IF THE PUBLIC AUCTION IS CONDUCTED BY MEANS OF THE
24 INTERNET OR OTHER ELECTRONIC MEDIUM, THE TREASURER SHALL POST
25 THE INTERNET BIDDING RULES ON THE ELECTRONIC MEDIUM AT LEAST
26 FOURTEEN CALENDAR DAYS BEFORE THE DATE OF SALE. THE BIDDING
27 RULES APPLY TO ALL BIDDERS THROUGHOUT THE PUBLIC AUCTION.

1 (3) NOTWITHSTANDING SUBSECTION (1) OF THIS SECTION, THE
2 TREASURER SHALL:

3 (a) ONLY ACCEPT BIDS THAT ARE GREATER THAN THE COMBINED
4 VALUE OF THE AMOUNT OWED TO THE LAWFUL HOLDER AND THE FEES AND
5 COSTS INCURRED BY THE TREASURER IN COMPLYING WITH THIS ARTICLE
6 11.5; AND

7 (b) NOT ACCEPT BIDS MADE BY A COUNTY OFFICIAL OR A COUNTY
8 EMPLOYEE ACTING IN THEIR INDIVIDUAL CAPACITY OR BY AN IMMEDIATE
9 FAMILY MEMBER OF A COUNTY OFFICIAL OR A COUNTY EMPLOYEE.

10 (4) WHEN THE TREASURER CONDUCTS A PUBLIC AUCTION IN
11 ACCORDANCE WITH THIS ARTICLE 11.5, THE TREASURER MAY ACCEPT
12 PAYMENT OF THE PURCHASE PRICE IN THE FORM OF CASH, NEGOTIABLE
13 PAPER, OR ELECTRONIC FUNDS TRANSFER, SUBJECT TO THE TREASURER'S
14 BIDDING RULES.

15 **39-11.5-109. Treatment of an overbid.** (1) (a) ANY OVERBID
16 MUST BE PAID IN ORDER OF RECORDING PRIORITY TO JUNIOR LIENORS,
17 DETERMINED AS OF THE RECORDING DATE OF THE NOTICE OF PUBLIC
18 AUCTION ACCORDING TO THE RECORDS, WHO HAVE DULY FILED A NOTICE
19 OF INTENT TO REDEEM AND WHOSE LIENS HAVE NOT BEEN REDEEMED, IN
20 EACH CASE UP TO THE UNPAID AMOUNT OF EACH SUCH LIENOR'S LIEN PLUS
21 FEES AND COSTS. AFTER PAYMENT TO ALL LIENORS, ANY REMAINING
22 OVERBID SHALL BE PAID TO THE PROPERTY OWNER.

23 (b) A LIENOR OR LAWFUL HOLDER THAT IS NOT ENTITLED TO
24 REDEEM BY VIRTUE OF HOLDING A LIEN THAT IS RECORDED AFTER THE
25 NOTICE OF PUBLIC AUCTION OR BY NOT TIMELY FILING A NOTICE OF INTENT
26 TO REDEEM PURSUANT TO SECTION 39-11.5-111 OR 39-11.5-113 DOES NOT
27 HAVE ANY CLAIM TO ANY PORTION OF THE OVERBID. A LAWFUL HOLDER

1 WHO ACCEPTS LESS THAN A FULL REDEMPTION PURSUANT TO SECTION
2 39-11.5-111 (4)(c) ALSO DOES NOT HAVE ANY CLAIM TO ANY PORTION OF
3 THE OVERBID.

4 (c) THE TREASURER SHALL ONLY REDEEM THE PROPERTY TO A
5 LAWFUL HOLDER. THE TREASURER MAY REDEEM ALL LIENORS FOR A
6 PORTION OF THE OVERBID AMOUNT, BUT SHALL NOT REDEEM THE
7 PROPERTY TO THOSE LIENORS.

8 (2) (a) THE TREASURER SHALL POST THE FOLLOWING STATEMENT
9 ON THE TREASURER'S OFFICE WEBSITE:

10 **NOTICE TO A PROPERTY OWNER OF A**
11 **PROPERTY FOR WHICH THE OPTION FOR**
12 **TREASURER'S DEED HAS BEEN SOLD AT PUBLIC**
13 **AUCTION:** If the option for a treasurer's deed for your
14 property is sold at a public auction for more than the total
15 owed to the lawful holder of a tax lien on your property and
16 to all other lien holders, please contact the treasurer's office
17 after the auction because you may have funds due to you.

18 (b) IN ORDER TO PAY THE PROPERTY OWNER AS REQUIRED
19 PURSUANT TO SUBSECTION (1) OF THIS SECTION, A TREASURER SHALL MAIL
20 THE PROPERTY OWNER A NOTICE REGARDING THE REMAINING OVERBID TO
21 THE BEST AVAILABLE ADDRESS NO LATER THAN THIRTY DAYS AFTER THE
22 CONCLUSION OF THE PUBLIC AUCTION. IF THE AMOUNT OF THE REMAINING
23 OVERBID IS EQUAL TO OR GREATER THAN TWENTY-FIVE DOLLARS, THE
24 TREASURER SHALL MAKE REASONABLE EFFORTS TO IDENTIFY THE
25 PROPERTY OWNER'S CURRENT ADDRESS.

26 (c) AN AGREEMENT TO PAY COMPENSATION TO RECOVER OR ASSIST
27 IN RECOVERING AN AMOUNT DUE TO THE PROPERTY OWNER FROM THE

1 TREASURER UNDER SUBSECTION (1) OF THIS SECTION IS NOT ENFORCEABLE.
2 A PERSON WHO INDUCES OR ATTEMPTS TO INDUCE ANOTHER PERSON TO
3 ENTER INTO SUCH AN AGREEMENT COMMITS A CLASS 2 MISDEMEANOR.

4 (3) (a) THE TREASURER SHALL HOLD ANY UNCLAIMED REMAINING
5 OVERBID FROM THE PUBLIC AUCTION IN ESCROW FOR SIX MONTHS FROM
6 THE DATE OF THE PUBLIC AUCTION. THE TREASURER IS ANSWERABLE FOR
7 THESE FUNDS WITHOUT INTEREST AT ANY TIME WITHIN SIX MONTHS AFTER
8 THE PUBLIC AUCTION TO ANY PERSON LEGALLY ENTITLED TO THE FUNDS.
9 THE TREASURER SHALL PAY ANY INTEREST EARNED ON THE ESCROWED
10 FUNDS TO THE COUNTY AT LEAST ANNUALLY.

11 (b) (I) IF THE UNCLAIMED REMAINING OVERBID EXCEEDS FIVE
12 HUNDRED DOLLARS AND HAS NOT BEEN CLAIMED WITHIN SIXTY CALENDAR
13 DAYS AFTER THE PUBLIC AUCTION, THE TREASURER SHALL, WITHIN NINETY
14 CALENDAR DAYS AFTER THE EXPIRATION OF ALL REDEMPTION PERIODS,
15 POST A NOTICE ON THE TREASURER'S OFFICE WEBSITE FOR FOUR WEEKS
16 AND MAIL A COPY OF THE NOTICE TO THE PROPERTY OWNER AT THE BEST
17 AVAILABLE ADDRESS.

18 (II) THE NOTICE REQUIRED IN SUBSECTION (3)(b)(I) OF THIS
19 SECTION MUST CONTAIN:

20 (A) THE NAME OF THE PROPERTY OWNER;

21 (B) THE PROPERTY OWNER'S ADDRESS AS GIVEN IN THE RECORDED
22 INSTRUMENT EVIDENCING THE PROPERTY OWNER'S INTEREST;

23 (C) THE LEGAL DESCRIPTION AND STREET ADDRESS, IF ANY, OF THE
24 PROPERTY SOLD AT THE PUBLIC AUCTION; AND

25 (D) A STATEMENT THAT AN OVERBID WAS REALIZED FROM THE
26 SALE AND THAT, UNLESS THE FUNDS ARE CLAIMED BY THE PROPERTY
27 OWNER OR OTHER PERSON ENTITLED THERETO WITHIN SIX MONTHS AFTER

1 THE DATE OF SALE, THE TREASURER SHALL TRANSFER THE FUNDS TO THE
2 STATE TREASURER FOR DISPOSITION IN ACCORDANCE WITH THE "REVISED
3 UNIFORM UNCLAIMED PROPERTY ACT", ARTICLE 13 OF TITLE 38.

4 (III) THE TREASURER SHALL PAY THE FEES AND COSTS OF
5 PUBLISHING AND MAILING THE NOTICE REQUIRED PURSUANT TO
6 SUBSECTION (3)(b)(I) OF THIS SECTION FROM THE MONEY THE TREASURER
7 HOLDS IN ESCROW.

8 (c) UNCLAIMED REMAINING OVERBIDS THAT ARE NOT CLAIMED
9 WITHIN SIX MONTHS FROM THE DATE OF THE SALE ARE UNCLAIMED
10 PROPERTY FOR PURPOSES OF THE "REVISED UNIFORM UNCLAIMED
11 PROPERTY ACT", ARTICLE 13 OF TITLE 38. THE TREASURER SHALL
12 TRANSFER THESE UNCLAIMED REMAINING OVERBIDS TO THE
13 ADMINISTRATOR IN ACCORDANCE WITH ARTICLE 13 OF TITLE 38.

14 (d) AFTER THE TREASURER TRANSFERS THE UNCLAIMED
15 REMAINING OVERBIDS TO THE ADMINISTRATOR OR TO THE GENERAL FUND
16 OF THE COUNTY, THE TREASURER IS DISCHARGED FROM ANY FURTHER
17 LIABILITY OR RESPONSIBILITY FOR THE MONEY.

18 **39-11.5-110. Procedure when purchaser fails to pay.** (1) IF A
19 PERSON BIDDING AT THE PUBLIC AUCTION FAILS TO PAY THE AMOUNT DUE,
20 THE TREASURER MAY AGAIN ADVERTISE THE PUBLIC AUCTION IN THE SAME
21 MANNER AS IN THE ORIGINAL ADVERTISEMENT AND FOR NOT LESS THAN
22 ONE WEEK, AFTER WHICH THE TREASURER MAY AGAIN CONDUCT THE
23 PUBLIC AUCTION AS DESCRIBED IN THIS ARTICLE 11.5.

24 (2) IN A PUBLIC AUCTION CONDUCTED BY MEANS OF THE INTERNET
25 OR OTHER ELECTRONIC MEDIUM, IF A PERSON BIDDING FAILS TO PAY THE
26 AMOUNT DUE, THE TREASURER MAY OFFER THE CERTIFICATE OF OPTION
27 FOR TREASURER'S DEED, WITHOUT ADDITIONAL ADVERTISEMENT, TO

1 ANOTHER BIDDER, WHETHER OR NOT THE PUBLIC AUCTION HAS CLOSED.

2 (3) THE TREASURER MAY PROHIBIT A PERSON WHO FAILS TO PAY
3 THE AMOUNT DUE FROM BIDDING ON SALES UNDER THIS ARTICLE 11.5 FOR
4 UP TO FIVE YEARS.

5 **39-11.5-111. Redemption of the property by a lawful holder**
6 **- procedure. (1) Requirements for redemption.** A LAWFUL HOLDER IS

7 ENTITLED TO REDEEM THE PROPERTY IF THE FOLLOWING REQUIREMENTS
8 ARE MET TO THE SATISFACTION OF THE TREASURER:

9 (a) THE LAWFUL HOLDER HAS, WITHIN EIGHT BUSINESS DAYS
10 AFTER THE PUBLIC AUCTION, FILED A NOTICE WITH THE TREASURER OF THE
11 LAWFUL HOLDER'S INTENT TO REDEEM;

12 (b) THE LAWFUL HOLDER HAS ATTACHED TO THE NOTICE OF
13 INTENT TO REDEEM THE ORIGINAL CERTIFICATE OF PURCHASE AND ANY
14 ASSIGNMENT OF THE CERTIFICATE OF PURCHASE TO THE LAWFUL HOLDER,
15 OR CERTIFIED COPIES THEREOF. IF THE ORIGINAL CERTIFICATE OF
16 PURCHASE IS DELIVERED TO THE TREASURER, THE TREASURER SHALL
17 RETURN THE CERTIFICATE OF PURCHASE TO THE LAWFUL HOLDER AND
18 RETAIN A COPY.

19 (c) THE LAWFUL HOLDER HAS ATTACHED TO THE NOTICE OF INTENT
20 TO REDEEM A SIGNED AND PROPERLY ACKNOWLEDGED STATEMENT OF THE
21 LAWFUL HOLDER SETTING FORTH THE AMOUNT REQUIRED TO REDEEM THE
22 CERTIFICATE OF PURCHASE, INCLUDING PER DIEM INTEREST, THROUGH THE
23 END OF THE NINETEENTH BUSINESS DAY AFTER THE PUBLIC AUCTION WITH
24 THE SAME SPECIFICITY AND ITEMIZATION AS REQUIRED IN SECTION
25 38-38-106.

26 (2) **Request for redemption amount.** WITHIN ONE BUSINESS DAY
27 OF THE RECEIPT BY THE TREASURER OF THE NOTICE OF INTENT TO REDEEM

1 FILED BY A LAWFUL HOLDER ENTITLED TO REDEEM UNDER THIS SECTION,
2 THE TREASURER SHALL TRANSMIT BY MAIL, FACSIMILE, OR OTHER
3 ELECTRONIC MEANS TO THE PURCHASER A WRITTEN REQUEST FOR A
4 WRITTEN OR ELECTRONIC STATEMENT OF ALL SUMS NECESSARY TO
5 REDEEM.

6 (3) **Statement of redemption.** (a) UPON RECEIPT OF THE REQUEST
7 TRANSMITTED BY THE TREASURER PURSUANT TO SUBSECTION (2) OF THIS
8 SECTION, THE PURCHASER SHALL SUBMIT A SIGNED AND ACKNOWLEDGED
9 STATEMENT TO THE TREASURER, NO LATER THAN THIRTEEN BUSINESS
10 DAYS FOLLOWING THE PUBLIC AUCTION, SPECIFYING ALL SUMS NECESSARY
11 TO REDEEM AS OF THE DATE OF THE STATEMENT. A PURCHASER THAT IS
12 NOT A QUALIFIED HOLDER AS DEFINED IN SECTION 38-38-100.3 (20) SHALL
13 ALSO SUBMIT TO THE TREASURER RECEIPTS, INVOICES, EVIDENCE OF
14 ELECTRONIC ACCOUNT-TO-ACCOUNT TRANSFERS, OR COPIES OF LOAN
15 SERVICING COMPUTER SCREENS EVIDENCING THE FEES AND COSTS AND
16 VERIFYING THAT THE FEES AND COSTS WERE ACTUALLY INCURRED AS OF
17 THE DATE OF THE STATEMENT, ALONG WITH THE PER DIEM AMOUNTS THAT
18 ACCRUE AFTER THE DATE OF SALE. THE PURCHASER MAY AMEND THE
19 STATEMENT AS NECESSARY TO REFLECT ADDITIONAL SUMS ADVANCED AS
20 ALLOWED BY LAW, BUT THE PURCHASER SHALL NOT AMEND THE
21 STATEMENT LATER THAN TWO BUSINESS DAYS PRIOR TO THE
22 COMMENCEMENT OF THE REDEMPTION PERIOD PURSUANT TO SUBSECTION
23 (4)(a) OF THIS SECTION OR EACH SUBSEQUENT REDEMPTION PERIOD
24 PURSUANT TO SUBSECTION (4)(b) OF THIS SECTION.

25 (b) IF THE PURCHASER FAILS TO SUBMIT THE STATEMENT
26 DESCRIBED IN SUBSECTION (3)(a) OF THIS SECTION TO THE TREASURER
27 WITHIN THIRTEEN BUSINESS DAYS AFTER THE SALE, THE TREASURER MAY

1 CALCULATE THE AMOUNT NECESSARY TO REDEEM BY ADDING TO THE
2 SUCCESSFUL BID THE ACCRUED INTEREST FROM THE SALE THROUGH THE
3 REDEMPTION DATE. THE ACCRUED INTEREST IS CALCULATED BY
4 MULTIPLYING THE AMOUNT OF THE BID BY THE REGULAR RATE OF ANNUAL
5 INTEREST SPECIFIED IN THE UNDERLING TAX LIEN, DIVIDED BY THREE
6 HUNDRED SIXTY-FIVE AND THEN MULTIPLIED BY THE NUMBER OF DAYS
7 FROM THE DATE OF SALE THROUGH THE REDEMPTION DATE.

8 (c) THE TREASURER SHALL TRANSMIT BY MAIL, FACSIMILE, OR
9 OTHER ELECTRONIC MEANS TO THE LAWFUL HOLDER FILING THE NOTICE OF
10 INTENT TO REDEEM, PROMPTLY UPON RECEIPT, THE STATEMENT FILED BY
11 THE PURCHASER, OR IF NO SUCH STATEMENT IS FILED, THE TREASURER'S
12 ESTIMATE OF THE REDEMPTION FIGURE, WHICH THE TREASURER SHALL
13 TRANSMIT NO LATER THAN THE COMMENCEMENT OF THE REDEMPTION
14 PERIOD PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION OR EACH
15 SUBSEQUENT REDEMPTION PERIOD PURSUANT TO SUBSECTION (4)(b) OF
16 THIS SECTION.

17 (4) **Redemption period.** (a) NO MORE THAN NINETEEN BUSINESS
18 DAYS NOR LESS THAN FIFTEEN BUSINESS DAYS AFTER A PUBLIC AUCTION
19 IS CONDUCTED PURSUANT TO THIS ARTICLE 11.5, THE REDEEMING LAWFUL
20 HOLDER MAY REDEEM THE PROPERTY BY PAYING TO THE TREASURER, NO
21 LATER THAN 12 NOON ON THE LAST DAY OF THE LAWFUL HOLDER'S
22 REDEMPTION PERIOD, IN A FORM SPECIFIED BY THE TREASURER, THE
23 AMOUNT FOR WHICH THE PROPERTY WAS SOLD AT PUBLIC AUCTION WITH
24 INTEREST FROM THE DATE OF SALE, TOGETHER WITH ANY APPLICABLE FEES
25 OR COSTS. INTEREST ON THE AMOUNT FOR WHICH THE PROPERTY WAS
26 SOLD IS CHARGED AT THE DEFAULT RATE SPECIFIED IN THE UNDERLYING
27 TAX LIEN.

1 (b) IF THE REDEEMING LAWFUL HOLDER IS THE SAME PERSON AS
2 THE PURCHASER, REGARDLESS OF THE NUMBER OF CONSECUTIVE LIENS
3 HELD BY THE REDEEMING LAWFUL HOLDER, THE REDEEMING LAWFUL
4 HOLDER SHALL ONLY PAY TO THE TREASURER THE UNPAID FEES AND COSTS
5 REQUIRED BY THE REDEMPTION AND SHALL PROVIDE THE STATEMENT
6 DESCRIBED IN SUBSECTION (1)(c) OF THIS SECTION.

7 (c) IF THE STATEMENT DESCRIBED IN SUBSECTION (1)(c) OF THIS
8 SECTION SO STATES, OR UPON OTHER WRITTEN AUTHORIZATION FROM THE
9 PURCHASER OR THE THEN-CURRENT LAWFUL HOLDER OF THE CERTIFICATE
10 OF REDEMPTION, THE TREASURER MAY ACCEPT AS A FULL REDEMPTION AN
11 AMOUNT LESS THAN THE AMOUNT SPECIFIED IN SUBSECTION (3)(a) OF THIS
12 SECTION. ANY REDEMPTION UNDER THIS SECTION CONSTITUTES A FULL
13 REDEMPTION AND IS DEEMED TO BE PAYMENT OF ALL SUMS TO WHICH THE
14 LAWFUL HOLDER IS ENTITLED.

15 (5) **Certificate of redemption.** UPON RECEIPT OF THE
16 REDEMPTION PAYMENT PURSUANT TO SUBSECTION (4) OF THIS SECTION,
17 THE TREASURER SHALL EXECUTE AND RECORD A CERTIFICATE OF
18 REDEMPTION PURSUANT TO SECTION 39-11.5-112.

19 (6) **Certificate of lawful holder.** A REDEEMING LAWFUL HOLDER
20 SHALL PAY TO THE TREASURER THE AMOUNT REQUIRED TO REDEEM AND
21 SHALL DELIVER TO THE TREASURER A SIGNED AND PROPERLY
22 ACKNOWLEDGED STATEMENT BY THE LAWFUL HOLDER SHOWING THE
23 AMOUNT OWING ON SUCH LIEN, INCLUDING PER DIEM INTEREST AND FEES
24 AND COSTS ACTUALLY INCURRED THAT ARE PERMITTED BY SUBSECTION (7)
25 OF THIS SECTION AND FOR WHICH THE LAWFUL HOLDER HAS SUBMITTED TO
26 THE TREASURER RECEIPTS, INVOICES, EVIDENCE OF ELECTRONIC
27 ACCOUNT-TO-ACCOUNT TRANSFERS, OR COPIES OF LOAN SERVICING

1 COMPUTER SCREENS EVIDENCING THE FEES AND COSTS AND VERIFYING
2 THAT THE FEES AND COSTS WERE ACTUALLY INCURRED AS OF THE DATE OF
3 THE STATEMENT OF REDEMPTION WITH THE PER DIEM AMOUNTS THAT
4 ACCRUE THEREAFTER. AT ANY TIME BEFORE THE EXPIRATION OF A LAWFUL
5 HOLDER REDEMPTION PERIOD, THE REDEEMING LAWFUL HOLDER MAY
6 SUBMIT A REVISED OR CORRECTED CERTIFICATE.

7 (7) **Payment of fees and costs.** A LAWFUL HOLDER MAY, DURING
8 THE LAWFUL HOLDER REDEMPTION PERIOD DESCRIBED IN SUBSECTION (4)
9 OF THIS SECTION, PAY THE FEES AND COSTS THAT THE PURCHASER MAY
10 PAY.

11 (8) **Misstatement of redemption amount.** IF AN AGGRIEVED
12 PERSON CONTESTS THE AMOUNT SET FORTH IN THE STATEMENT FILED BY
13 A LAWFUL HOLDER PURSUANT TO SUBSECTION (1)(f) OF THIS SECTION OR
14 BY A PURCHASER PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION AND
15 A COURT DETERMINES THAT THE LAWFUL HOLDER OR PURCHASER HAS
16 MADE A MATERIAL MISSTATEMENT ON THE STATEMENT WITH RESPECT TO
17 THE AMOUNT DUE AND OWING TO THE LAWFUL HOLDER OR THE
18 PURCHASER, THE COURT SHALL, IN ADDITION TO OTHER RELIEF, AWARD TO
19 THE AGGRIEVED PERSON THE AGGRIEVED PERSON'S COURT COSTS AND
20 REASONABLE ATTORNEY FEES AND COSTS.

21 (9) **No partial redemption.** A LAWFUL HOLDER HOLDING A LIEN
22 ON LESS THAN ALL OF, OR A PARTIAL INTEREST IN, THE PROPERTY SHALL
23 REDEEM THE ENTIRE PROPERTY. NO PARTIAL REDEMPTION IS PERMITTED
24 UNDER THIS ARTICLE 11.5. THE PRIORITY OF LIENS FOR PURPOSES OF THIS
25 SECTION IS TO BE DETERMINED WITHOUT CONSIDERATION OF THE FACT
26 THAT THE LIEN RELATES TO ONLY A PORTION OF THE PROPERTY OR TO A
27 PARTIAL INTEREST THEREIN.

1 **39-11.5-112. Certificate of redemption - issuance.** (1) NO
2 SOONER THAN FIFTEEN BUSINESS DAYS FOLLOWING A PUBLIC AUCTION BUT
3 NO LATER THAN FIVE BUSINESS DAYS FOLLOWING A TREASURER'S RECEIPT
4 OF REDEMPTION MONEY PAID UNDER SECTION 39-11.5-111, THE
5 TREASURER SHALL EXECUTE AND RECORD IN EACH COUNTY WHERE THE
6 PROPERTY OR A PORTION THEREOF IS LOCATED A CERTIFICATE OF
7 REDEMPTION CONTAINING:

- 8 (a) THE NAME OF THE LAWFUL HOLDER;
 - 9 (b) THE NAME AND ADDRESS OF THE PERSON REDEEMING;
 - 10 (c) THE REDEMPTION AMOUNT PAID;
 - 11 (d) THE DATE OF SALE;
 - 12 (e) THE DESCRIPTION OF THE PROPERTY REDEEMED; AND
 - 13 (f) THE TREASURER'S SALE NUMBER.
- 14 (2) THE TREASURER SHALL RETAIN THE RECORDED CERTIFICATE OF
15 REDEMPTION IN THE TREASURER'S RECORDS.
- 16 (3) THE FAILURE OF THE TREASURER TO COMPLY WITH THE
17 PROVISIONS OF THIS SECTION DOES NOT AFFECT THE VALIDITY OF THE SALE
18 OR THE RIGHTS OF THE GRANTEE OF THE CONFIRMATION DEED.

19 **39-11.5-113. Redemption of overbid amount by a lienor -**
20 **procedure.** (1) **Requirements for redemption.** A LIENOR IS ENTITLED
21 TO REDEEM A PORTION OF THE OVERBID AMOUNT, IF THE FOLLOWING
22 REQUIREMENTS ARE MET TO THE SATISFACTION OF THE TREASURER:

- 23 (a) THE LIENOR'S LIEN IS A LIEN THAT IS CREATED OR RECOGNIZED
24 BY STATE OR FEDERAL STATUTE OR BY JUDGMENT OF A COURT OF
25 COMPETENT JURISDICTION;
- 26 (b) THE LIEN IS A JUNIOR LIEN;
- 27 (c) THE LIENOR'S LIEN APPEARS BY INSTRUMENTS THAT WERE

1 DULY RECORDED IN THE OFFICE OF THE CLERK AND RECORDER OF THE
2 COUNTY PRIOR TO THE TREASURER RECORDING THE APPLICATION FOR
3 PUBLIC AUCTION PURSUANT TO SECTION 39-11.5-103 AND THE LIENOR IS
4 ONE OF THE PERSONS WHO WOULD BE ENTITLED TO CURE PURSUANT TO
5 SECTION 38-38-104 (1) IN THE CASE OF A FORECLOSURE, REGARDLESS OF
6 WHETHER SUCH LIENOR FILED A NOTICE OF INTENT TO CURE. IF, PRIOR TO
7 THE DATE AND TIME OF THE TREASURER'S RECORDING OF THE APPLICATION
8 FOR PUBLIC AUCTION PURSUANT TO SECTION 39-11.5-103 (2), A LIEN WAS
9 RECORDED IN AN INCORRECT COUNTY, THE LIENOR'S RIGHTS UNDER THIS
10 SECTION ARE VALID ONLY IF THE LIEN IS RERECORDED IN THE CORRECT
11 COUNTY AT LEAST FIFTEEN CALENDAR DAYS PRIOR TO THE PUBLIC
12 AUCTION.

13 (d) THE LIENOR HAS, WITHIN EIGHT BUSINESS DAYS AFTER THE
14 PUBLIC AUCTION, FILED A NOTICE WITH THE TREASURER OF THE LIENOR'S
15 INTENT TO REDEEM. A LIENOR MAY FILE A NOTICE OF INTENT TO REDEEM
16 MORE THAN EIGHT BUSINESS DAYS AFTER PUBLIC AUCTION IF:

17 (I) NO LIENOR JUNIOR TO THE LIENOR SEEKING TO FILE THE LATE
18 INTENT TO REDEEM HAS REDEEMED;

19 (II) THE REDEMPTION PERIOD FOR THE LIENOR SEEKING TO FILE
20 THE LATE INTENT TO REDEEM HAS NOT EXPIRED;

21 (III) A REDEMPTION PERIOD HAS BEEN CREATED BY THE TIMELY
22 FILING OF A NOTICE OF INTENT TO REDEEM; AND

23 (IV) THE NOTICE OF INTENT TO REDEEM IS ACCOMPANIED BY A
24 WRITTEN AUTHORIZATION FROM THE IMMEDIATELY PRIOR REDEEMING
25 LIENOR AUTHORIZING THE TREASURER TO ACCEPT SUCH NOTICE OF INTENT
26 TO REDEEM.

27 (e) THE LIENOR HAS ATTACHED TO THE NOTICE OF INTENT TO

1 REDEEM THE ORIGINAL INSTRUMENT AND ANY ASSIGNMENT OF THE LIEN
2 TO THE PERSON ATTEMPTING TO REDEEM, OR CERTIFIED COPIES THEREOF,
3 OR IN THE CASE OF A QUALIFIED HOLDER AS DEFINED IN SECTION
4 38-38-100.3 (20), A COPY OF THE INSTRUMENT EVIDENCING THE LIEN AND
5 ANY ASSIGNMENT OF THE LIEN TO THE PERSON ATTEMPTING TO REDEEM.
6 IF THE ORIGINAL INSTRUMENT IS DELIVERED TO THE TREASURER, THE
7 TREASURER SHALL RETURN THE INSTRUMENT TO THE LIENOR AND RETAIN
8 A COPY.

9 (f) THE LIENOR HAS ATTACHED TO THE NOTICE OF INTENT TO
10 REDEEM A SIGNED AND PROPERLY ACKNOWLEDGED STATEMENT OF THE
11 LIENOR SETTING FORTH THE AMOUNT REQUIRED TO REDEEM THE LIENOR'S
12 LIEN, INCLUDING PER DIEM INTEREST, THROUGH THE END OF THE
13 NINETEENTH BUSINESS DAY AFTER THE PUBLIC AUCTION WITH THE SAME
14 SPECIFICITY AND ITEMIZATION AS REQUIRED IN SECTION 38-38-106.

15 (2) **Redemption period.** ON THE NINTH BUSINESS DAY AFTER THE
16 DATE OF PUBLIC AUCTION, THE TREASURER SHALL SET THE DATES OF THE
17 REDEMPTION PERIOD OF EACH LIENOR IN ACCORDANCE WITH THIS
18 SUBSECTION (2) AND SECTION 39-11.5-111 (4). THE RIGHT TO REDEEM IS
19 IN PRIORITY OF SUCH LIENS ACCORDING TO THE RECORDS. THE
20 REDEMPTION PERIOD OF A LIENOR MUST NOT BE SHORTENED OR ALTERED
21 BY THE FACT THAT A PRIOR LIENOR REDEEMED BEFORE THE EXPIRATION OF
22 A DIFFERENT LIENOR'S REDEMPTION PERIOD.

23 (3) **Redemption proceeds.** UPON THE EXPIRATION OF THE
24 REDEMPTION PERIOD UNDER THIS SECTION, THE TREASURER SHALL
25 DISBURSE ALL REDEMPTION PROCEEDS TO THE PERSONS ENTITLED TO
26 RECEIVE THEM.

27 (4) **Misstatement of redemption amount.** IF AN AGGRIEVED

1 PERSON CONTESTS THE AMOUNT SET FORTH IN THE STATEMENT FILED BY
2 A LIENOR PURSUANT TO SUBSECTION (1)(f) OF THIS SECTION AND A COURT
3 DETERMINES THAT THE LIENOR HAS MADE A MATERIAL MISSTATEMENT ON
4 THE STATEMENT WITH RESPECT TO THE AMOUNT DUE AND OWING TO THE
5 LIENOR, THE COURT SHALL, IN ADDITION TO OTHER RELIEF, AWARD TO THE
6 AGGRIEVED PERSON THE AGGRIEVED PERSON'S COURT COSTS AND
7 REASONABLE ATTORNEY FEES AND COSTS.

8 **39-11.5-114. Federal redemption rights.** ANY REDEMPTION
9 RIGHTS GRANTED UNDER FEDERAL LAW ARE SEPARATE AND DISTINCT
10 FROM THE REDEMPTION RIGHTS GRANTED UNDER THIS ARTICLE 11.5. ALL
11 LIENS THAT ARE JUNIOR TO A TAX LIEN PURSUANT TO THIS ARTICLE 11.5
12 ARE DIVESTED BY THE PUBLIC AUCTION CONDUCTED IN ACCORDANCE WITH
13 THIS ARTICLE 11.5, SUBJECT TO THE REDEMPTION RIGHTS PROVIDED IN
14 THIS ARTICLE 11.5. THE TREASURER CONDUCTING A PUBLIC AUCTION
15 UNDER THIS ARTICLE 11.5 IS NOT DESIGNATED TO RECEIVE REDEMPTIONS
16 UNDER FEDERAL LAW.

17 **39-11.5-115. Certificate of option for treasurer's deed -**
18 **assignability.** (1) THE TREASURER SHALL PREPARE, SIGN, AND RETAIN
19 FOR SAFEKEEPING OR DELIVER TO THE PURCHASER A CERTIFICATE OF
20 OPTION FOR TREASURER'S DEED DESCRIBING THE PROPERTY AND
21 CONFIRMING, EXCEPT IN THE CASE OF THE PURCHASER DESCRIBED IN
22 SECTION 39-11.5-101 (12)(c), THAT PAYMENT HAS BEEN MADE. THE
23 TREASURER MAY CHARGE THE PURCHASER A FEE IN THE AMOUNT OF
24 THIRTY DOLLARS FOR EACH SUCH CERTIFICATE.

25 (2) THE CERTIFICATE OF OPTION FOR TREASURER'S DEED IS
26 ASSIGNABLE BY ENDORSEMENT, AND AN ASSIGNMENT THEREOF, WHEN
27 ENTERED UPON THE RECORD OF SALES IN THE OFFICES OF THE COUNTY

1 CLERK AND RECORDER AND THE TREASURER, VESTS IN THE ASSIGNEE OR
2 THE ASSIGNEE'S LEGAL REPRESENTATIVE ALL THE RIGHT AND TITLE OF THE
3 PURCHASER.

4 **39-11.5-116. Presentation of certificate of option for**
5 **treasurer's deed for deed - fee - purchase by a local government.**

6 (1) THE TREASURER SHALL MAKE OUT AND DELIVER A DEED FOR EACH
7 LOT, PARCEL, INTEREST, OR IMPROVEMENT FOR WHICH A CERTIFICATE OF
8 OPTION FOR TREASURER'S DEED WAS SOLD AND WHICH REMAINS
9 UNREDEEMED ON DEMAND OF:

10 (a) THE PURCHASER OR LAWFUL HOLDER OF A CERTIFICATE OF
11 OPTION FOR TREASURER'S DEED ISSUED PURSUANT TO SECTION
12 39-11.5-115; OR

13 (b) THE HOLDER OF AN ORDER ISSUED BY THE BOARD OF COUNTY
14 COMMISSIONERS PURSUANT TO SUBSECTION (3) OF THIS SECTION.

15 (2) THE TREASURER IS ENTITLED TO A FEE IN THE AMOUNT OF
16 THIRTY DOLLARS FOR:

17 (a) EACH DEED MADE AND ACKNOWLEDGED BY THE TREASURER
18 PURSUANT TO THIS SECTION; AND

19 (b) EACH DEED ACKNOWLEDGED BY THE TREASURER PURSUANT TO
20 THIS SECTION.

21 (3) (a) IF A CERTIFICATE OF OPTION FOR TREASURER'S DEED IS LOST
22 OR WRONGFULLY WITHHELD FROM THE RIGHTFUL OWNER AND THE
23 PROPERTY HAS NOT BEEN REDEEMED, A CLAIMANT MAY FILE A CLAIM WITH
24 THE TREASURER.

25 (b) AFTER REVIEWING A CLAIM FILED BY A CLAIMANT PURSUANT
26 TO SUBSECTION (3)(a) OF THIS SECTION, THE TREASURER MAY ISSUE AN
27 ORDER STATING THAT THE CERTIFICATE OF OPTION FOR TREASURER'S DEED

1 WAS LOST OR WRONGFULLY WITHHELD FROM THE RIGHTFUL OWNER. THE
2 TREASURER SHALL DELIVER SUCH AN ORDER TO THE CLAIMANT AND FILE
3 A COPY OF THE CERTIFICATE WITH THE CLERK AND RECORDER.

4 (4) (a) WHENEVER ANY CERTIFICATE OF OPTION FOR TREASURER'S
5 DEED IS BID ON BY OR FOR A CITY, TOWN, OR CITY AND COUNTY AT A
6 PUBLIC AUCTION, SUCH CITY, TOWN, OR CITY AND COUNTY IS ENTITLED TO
7 A DEED, IN THE SAME MANNER AS OTHER PURCHASERS AT SUCH PUBLIC
8 AUCTIONS.

9 (b) THE TREASURER OF A COUNTY, CITY, TOWN, OR CITY AND
10 COUNTY THAT PURCHASES A CERTIFICATE OF OPTION FOR TREASURER'S
11 DEED AT A PUBLIC AUCTION MAY ASSIGN AND DELIVER THE RESULTING
12 DEED. IN SO DOING, THE TREASURER SHALL CHARGE AN AMOUNT EQUAL
13 TO THE COMBINATION OF:

14 (I) THE AMOUNT PAID AT THE PUBLIC AUCTION BY THE COUNTY,
15 CITY, TOWN, OR CITY AND COUNTY;

16 (II) ANY INTEREST AND COSTS THAT ACCRUED ON THE AMOUNT
17 PAID AT THE PUBLIC AUCTION BY THE COUNTY, CITY, TOWN, OR CITY AND
18 COUNTY; AND

19 (III) ANY FEE AMOUNT DETERMINED BY THE BOARD OF COUNTY
20 COMMISSIONERS OR OTHER BOARD AUTHORIZED TO PERFORM THE DUTIES
21 OF A BOARD OF COUNTY COMMISSIONERS.

22 **39-11.5-117. Fees and costs.** (1) ALL FEES AND COSTS INCURRED
23 PURSUANT TO THIS ARTICLE 11.5 ARE CHARGEABLE AS ADDITIONAL
24 AMOUNTS OWING UNDER THE TAX LIEN. THE TREASURER SHALL DEDUCT
25 SUCH ADDITIONAL AMOUNTS FROM THE PROCEEDS OF ANY PUBLIC
26 AUCTION. IF THERE ARE NOT CASH PROCEEDS FROM THE PUBLIC AUCTION
27 ADEQUATE TO PAY SUCH ADDITIONAL AMOUNTS, TO THE EXTENT OF THE

1 INADEQUACY, THE PURCHASER OR LAWFUL HOLDER SHALL PAY SUCH
2 AMOUNTS.

3 (2) THE TREASURER MAY DECLINE TO ISSUE THE CERTIFICATE OF
4 OPTION FOR TREASURER'S DEED PURSUANT TO SECTION 39-11.5-115 UNTIL
5 ALL FEES AND COSTS INCURRED PURSUANT TO THIS ARTICLE 11.5 IN
6 CONNECTION WITH THE PUBLIC AUCTION HAVE BEEN PAID.

7 **39-11.5-118. Abbreviations, letters, and figures may be used.**
8 IN ALL ADVERTISEMENTS FOR THE PUBLIC AUCTION AND IN ENTRIES
9 REQUIRED TO BE MADE BY THE ASSESSOR, COUNTY CLERK AND RECORDER,
10 TREASURER, OR OTHER COUNTY OFFICERS IN LISTS, BOOKS, ROLLS,
11 CERTIFICATES, RECEIPTS, DEEDS, OR NOTICES, THE ASSESSOR, COUNTY
12 CLERK AND RECORDER, TREASURER OR OTHER COUNTY OFFICER MAY USE
13 LETTERS, FIGURES, AND ABBREVIATIONS TO DENOTE TOWNSHIPS, RANGES,
14 SECTIONS, PARTS OF SECTIONS, LOTS, BLOCKS, DATES AND AMOUNTS OF
15 TAXES, DELINQUENT INTEREST, AND COSTS.

16 **SECTION 5. Safety clause.** The general assembly finds,
17 determines, and declares that this act is necessary for the immediate
18 preservation of the public peace, health, or safety or for appropriations for
19 the support and maintenance of the departments of the state and state
20 institutions.

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

Bill C

LLS NO. 24-0388.01 Megan McCall x4215

SENATE BILL

SENATE SPONSORSHIP

Hansen,

HOUSE SPONSORSHIP

Weissman,

Senate Committees

House Committees

A BILL FOR AN ACT

101 CONCERNING THE PROPERTY TAX TREATMENT OF REAL PROPERTY
102 THAT IS USED TO PROVIDE LODGING.

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/>.)

Legislative Oversight Committee Concerning Tax Policy. The bill establishes that, for property tax years commencing on or after January 1, 2026, a short-term rental unit, which is an improvement that is designated and used as a place of residency by a person, family, or families, but that is also leased for overnight lodging for less than 30 consecutive days in exchange for a monetary payment (short-term stay)

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

and is not a primary residence, and the land upon which the improvement is located, may be classified as either residential real property or lodging property. If, during the previous property tax year, a short-term rental unit was leased for short-term stays for more than 90 days, then it is classified as lodging property. Otherwise, it is classified as residential real property. Actual value for a short-term rental unit that is classified as lodging property is to be determined solely by application of the market approach to appraisal.

The bill also specifies, with an exception for a property that qualifies as a bed and breakfast, that a building designed for use predominantly as a place of residency by a person, a family, or families but that is actually used, or available for use, to provide short-term stays only is a hotel and motel.

For purposes of applying the classification of either residential or lodging to a short-term rental unit, annually, the assessor is required to send notice to owners of short-term rental units of the number of days during the prior property tax year that the assessor has determined the property was leased for short-term stays. An owner must sign and return the notice and, if the owner disputes the number of days the property was leased for short-term stays, the owner must provide evidence demonstrating a different number of days the property was leased for short-term stays.

Additionally, the property tax administrator is required to establish and administer a pilot program to develop a statewide database and uniform reporting system to track short-term rental units.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-1-102, **amend**
3 (5.5)(a) introductory portion and (5.5)(b)(II); and **add** (5.5)(b.5), (15.7),
4 and (15.8) as follows:

5 **39-1-102. Definitions.** As used in articles 1 to 13 of this title 39,
6 unless the context otherwise requires:

7 (5.5) (a) "Hotels and motels" means improvements and the land
8 associated with such improvements that are used by a business
9 establishment primarily to provide lodging, camping, or personal care or
10 health facilities to the general public and that are predominantly used on
11 an overnight or weekly basis; except that AND UNLESS THE PROVISIONS IN

1 SUBSECTION (5.5)(b.5) OF THIS SECTION APPLY FOR BUILDINGS PROVIDING
2 SHORT-TERM STAYS, "hotels and motels" does not include:

3 (b) If any time share estate, time share use period, undivided
4 interest, or other partial ownership interest in any hotel unit is owned by
5 any non-hotel unit owner, then, unless a declaration or other express
6 agreement binding on the non-hotel unit owners and the hotel unit owners
7 provides otherwise:

8 (II) Each non-hotel unit owner shall pay that portion of the taxes
9 on the hotel unit equal to the non-hotel unit owner's ownership or usage
10 percentage of the hotel unit multiplied by the property tax that would have
11 been levied on the hotel unit if the actual value and valuation for
12 assessment of the hotel unit had been determined as if the hotel unit was
13 residential real property; EXCEPT THAT IF THE HOTEL UNIT IS ALSO A
14 SHORT-TERM RENTAL UNIT, THEN THE HOTEL UNIT IS VALUED FOR
15 ASSESSMENT IN ACCORDANCE WITH SECTION 39-1-103 (10.8)(a).

16 (b.5) "HOTELS AND MOTELS" ALSO MEANS A BUILDING DESIGNED
17 FOR USE PREDOMINANTLY AS A PLACE OF RESIDENCY BY A PERSON, A
18 FAMILY, OR FAMILIES, BUT THAT IS ACTUALLY USED, OR AVAILABLE FOR
19 USE, TO PROVIDE SHORT-TERM STAYS ONLY; EXCEPT THAT THE TERM
20 EXCLUDES ANY IMPROVEMENT THAT QUALIFIES AS A BED AND BREAKFAST.

21 (15.7) "SHORT-TERM RENTAL UNIT" MEANS AN IMPROVEMENT
22 THAT IS DESIGNED AND USED AS A PLACE OF RESIDENCY BY A PERSON, A
23 FAMILY, OR FAMILIES, AND THAT IS NOT A PRIMARY RESIDENCE BUT THAT
24 IS ALSO LEASED OR AVAILABLE TO BE LEASED FOR ONE OR MORE
25 SHORT-TERM STAYS. THE TERM ALSO INCLUDES THE LAND UPON WHICH
26 THE IMPROVEMENT IS LOCATED.

27 (15.8) "SHORT-TERM STAY" MEANS OVERNIGHT LODGING THAT IS

1 PROVIDED TO AN INDIVIDUAL OR BUSINESS FOR LESS THAN THIRTY
2 CONSECUTIVE DAYS IN EXCHANGE FOR MONETARY PAYMENT.

3 **SECTION 2.** In Colorado Revised Statutes, 39-1-103, **add** (10.8)
4 as follows:

5 **39-1-103. Actual value determined - when - legislative**
6 **declaration.** (10.8) (a) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION
7 (10.8)(c) OF THIS SECTION AND NOTWITHSTANDING ANY OTHER PROVISION
8 OF THIS ARTICLE 1, FOR PROPERTY TAX YEARS COMMENCING ON AND
9 AFTER JANUARY 1, 2026, A SHORT-TERM RENTAL UNIT MUST BE
10 CLASSIFIED AS EITHER RESIDENTIAL REAL PROPERTY OR LODGING
11 PROPERTY BASED ON THE USE OF THE PROPERTY DURING THE PREVIOUS
12 PROPERTY TAX YEAR AS FOLLOWS:

13 (I) IF, DURING THE PREVIOUS PROPERTY TAX YEAR, THE TOTAL
14 NUMBER OF DAYS THAT A SHORT-TERM RENTAL UNIT WAS LEASED FOR
15 SHORT-TERM STAYS WAS LESS THAN OR EQUAL TO NINETY DAYS, THEN THE
16 SHORT-TERM RENTAL UNIT IS CLASSIFIED AS RESIDENTIAL REAL PROPERTY;
17 AND

18 (II) IF, DURING THE PREVIOUS PROPERTY TAX YEAR, THE TOTAL
19 NUMBER OF DAYS THAT A SHORT-TERM RENTAL UNIT WAS LEASED FOR
20 SHORT-TERM STAYS WAS GREATER THAN NINETY DAYS, THEN THE
21 SHORT-TERM RENTAL UNIT IS CLASSIFIED AS LODGING PROPERTY.

22 (b) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (5) OF
23 THIS SECTION, THE ACTUAL VALUE OF A SHORT-TERM RENTAL UNIT
24 CLASSIFIED AS LODGING PROPERTY IS DETERMINED SOLELY BY
25 APPLICATION OF THE MARKET APPROACH TO APPRAISAL.

26 (c) (I) ON OR BEFORE JANUARY 15, 2026, AND JANUARY 15 OF
27 EACH YEAR THEREAFTER, THE ASSESSOR SHALL MAIL NOTICE TO OWNERS

1 OF SHORT-TERM RENTAL UNITS OF THE NUMBER OF DAYS DURING THE
2 PREVIOUS PROPERTY TAX YEAR THAT THE SHORT-TERM RENTAL UNIT WAS
3 LEASED FOR SHORT-TERM STAYS AS DETERMINED BY THE ASSESSOR FROM
4 THE STATEWIDE DATABASE MAINTAINED BY THE ADMINISTRATOR. THE
5 NOTICE MUST BE IN A FORM ESTABLISHED BY THE ADMINISTRATOR AND
6 MUST ALLOW FOR AN OWNER TO INDICATE THAT THE OWNER AGREES WITH
7 OR DISPUTES THE ASSESSOR'S TOTAL NUMBER OF DAYS THE SHORT-TERM
8 RENTAL UNIT WAS LEASED FOR SHORT-TERM STAYS. BY NO LATER THAN
9 APRIL 15, 2026, AND APRIL 15 OF EACH YEAR THEREAFTER, THE OWNER
10 SHALL COMPLETE AND SIGN THE NOTICE UNDER THE PENALTY OF PERJURY
11 IN THE SECOND DEGREE AND RETURN IT TO THE ASSESSOR. IF THE OWNER
12 DISPUTES THE ASSESSOR'S TOTAL NUMBER OF DAYS THE SHORT-TERM
13 RENTAL UNIT WAS LEASED FOR SHORT-TERM STAYS, THE OWNER SHALL
14 INDICATE THE TOTAL NUMBER OF DAYS THAT THE SHORT-TERM RENTAL
15 UNIT WAS LEASED FOR SHORT-TERM STAYS AND ATTACH EXHIBITS AND
16 STATEMENTS TO THE NOTICE IN SUPPORT. IN THE ABSENCE OF CONTRARY
17 INFORMATION, THE ASSESSOR SHALL USE THE NUMBER OF DAYS PROVIDED
18 BY THE OWNER FOR THE PURPOSE OF DETERMINING THE CLASSIFICATION
19 OF THE SHORT-TERM RENTAL UNIT UNDER SUBSECTION (10.8)(a) OF THIS
20 SECTION.

21 (II) IF AN OWNER DOES NOT COMPLETE, SIGN, AND RETURN THE
22 NOTICE AS REQUIRED IN SUBSECTION (10.8)(c)(I) OF THIS SECTION, THE
23 ASSESSOR SHALL USE THE NUMBER OF DAYS DURING THE PREVIOUS
24 PROPERTY TAX YEAR THAT IT HAS DETERMINED THE SHORT-TERM RENTAL
25 UNIT WAS LEASED FOR SHORT-TERM STAYS FOR THE PURPOSE OF
26 DETERMINING THE CLASSIFICATION OF THE SHORT-TERM RENTAL UNIT
27 UNDER SUBSECTION (10.8)(a) OF THIS SECTION.

1 (d) IF A SHORT-TERM RENTAL UNIT ALSO QUALIFIES AS A BED AND
2 BREAKFAST, THEN IT IS ASSESSED AS A BED AND BREAKFAST IN
3 ACCORDANCE WITH SUBSECTION (10.5) OF THIS SECTION.

4 **SECTION 3.** In Colorado Revised Statutes, 39-1-104, **amend**
5 (1.6)(a) as follows:

6 **39-1-104. Valuation for assessment - definitions.**

7 (1.6) (a) Hotels, motels, bed and breakfasts, SHORT-TERM RENTAL UNITS
8 AS SET FORTH IN SECTION 39-1-103 (10.8)(a)(II), and ALL personal
9 property located at a hotel, motel, or bed and breakfast, OR SHORT-TERM
10 RENTAL UNIT AS SET FORTH IN SECTION 39-1-103 (10.8)(a)(II) are
11 classified as lodging property, which is a subclass of nonresidential
12 property for purposes of the valuation for assessment. Classification as a
13 lodging property does not affect a partial allocation as residential real
14 property if a lodging property is a mixed-use property.

15 **SECTION 4.** In Colorado Revised Statutes, 39-2-109, **amend**
16 (1)(d) and (1)(m); and **add** (1)(n) as follows:

17 **39-2-109. Duties, powers, and authority - definition.** (1) It is
18 the duty of the property tax administrator, and the administrator shall have
19 and exercise authority:

20 (d) To approve the form and size of all personal property
21 schedules, forms, and notices furnished or sent by assessors to owners of
22 taxable property, THE FORM OF NOTICE SENT BY ASSESSORS TO OWNERS OF
23 SHORT-TERM RENTAL UNITS PURSUANT TO SECTION 39-1-103 (10.8)(c), the
24 form of petitions for abatement or refund, the form of all field books, plat
25 and block books, maps, and appraisal cards used in the office of the
26 assessor and other forms and records used and maintained by the assessor
27 and to require exclusive use of such approved schedules, books, maps,

1 appraisal cards, forms, and records by all assessors to insure uniformity;

2 (m) To establish the forms required pursuant to part 2 of article 29
3 of title 38; ~~C.R.S.~~ AND

4 (n) TO ESTABLISH AND ADMINISTER A PROGRAM BEGINNING
5 JANUARY 1, 2026, FOR THE PURPOSE OF DEVELOPING AND MAINTAINING A
6 STATEWIDE DATABASE AND UNIFORM REPORTING SYSTEM TO TRACK
7 SHORT-TERM RENTAL UNITS WHICH MUST BE SEARCHABLE BY COUNTY AND
8 ALLOW ASSESSORS TO DETERMINE THE TOTAL NUMBER OF DAYS DURING
9 THE PREVIOUS PROPERTY TAX YEAR THAT A SHORT-TERM RENTAL UNIT
10 WAS LEASED FOR SHORT-TERM STAYS.

11 **SECTION 5. 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; except
14 that, if a referendum petition is filed pursuant to section 1 (3) of article V
15 of the state constitution against this act or an item, section, or part of this
16 act within such period, then the act, item, section, or part will not take
17 effect unless approved by the people at the general election to be held in
18 November 2024 and, in such case, will take effect on the date of the
19 official declaration of the vote thereon by the governor.

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

Bill D

LLS NO. 24-0389.01 Megan McCall x4215

HOUSE BILL

HOUSE SPONSORSHIP

Weissman and Marshall, Frizell

SENATE SPONSORSHIP

Liston and Hansen, Kolker

House Committees

Senate Committees

A BILL FOR AN ACT

101 CONCERNING ANALYSIS OF TAX POLICY BY THE STATE LEGISLATIVE
102 BRANCH, AND, IN CONNECTION THEREWITH, MODIFYING
103 REQUIREMENTS FOR EVALUATING STATE TAX EXPENDITURES,
104 REQUIRING THE STATE AUDITOR TO PREPARE AN ANNUAL
105 REPORT ON FEDERAL TAX LAW AND CHANGES THAT HAVE
106 SIGNIFICANT IMPACT ON THE STATE'S TAX BASE, AND
107 EXTENDING THE LEGISLATIVE OVERSIGHT COMMITTEE
108 CONCERNING TAX POLICY AND THE TASK FORCE CONCERNING
109 TAX POLICY.

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

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

applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Legislative Oversight Committee Concerning Tax Policy.

Section 1 of the bill makes the following changes to the state auditor's procedures for evaluating state tax expenditures:

- Requires evaluation reports to be delivered and posted on June 30 instead of September 15;
- Requires the state auditor to evaluate new tax expenditures in accordance with the state auditor's schedule;
- Allows the state auditor to use discretion in reevaluating tax expenditures if there have been substantial changes to the tax expenditure;
- Eliminates the evaluation requirement for tax expenditures that are on the state auditor's schedule for evaluation but have been repealed or will repeal within one year of the evaluation;
- For tax expenditures that are in effect for 3 years or less, requires the state auditor to make the auditor's best effort to prepare the evaluation report using the best available data; and
- Allows the state auditor to modify the schedule for evaluating tax expenditures in consideration of timing for when sufficient data may be available to evaluate the tax expenditure.

Section 2 requires the state auditor to annually study and evaluate federal tax law, including changes, that may have significant impact on the state's tax base and prepare a report with the state auditor's findings by June 30, 2025, and by June 30 of each year thereafter.

Section 3 requires the legislative oversight committee concerning tax policy (committee) to consider the policy considerations set forth in the state auditor's report concerning a review of federal tax law, including changes, that may have a significant impact on the state's tax base, in addition to the policy considerations set forth in the state auditor's tax expenditure evaluations. The committee may request that the state auditor evaluate specific tax expenditures for the next year's evaluation report notwithstanding when the tax expenditure might otherwise be evaluated according to the state auditor's schedule. The committee may additionally request the state auditor to perform specific and discrete research and analysis tasks.

Section 4 requires that the office of the state auditor present to the task force concerning tax policy (task force) its tax expenditure evaluation reports and annual report concerning federal tax law, including changes, that have significant impact on the state's tax base upon request by the task force.

Section 5 extends the committee and the task force until December 31, 2031.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-21-305, **amend**
3 (1)(d) and (1)(e); and **add** (1)(c.5) as follows:

4 **39-21-305. Tax expenditure - state auditor evaluation.**

5 (1) (c.5) IN ADDITION TO ANY OTHER REQUIREMENTS IN THIS SECTION,
6 THE MANNER IN WHICH THE STATE AUDITOR EVALUATES THE STATE'S TAX
7 EXPENDITURES IS GOVERNED BY THE FOLLOWING:

8 (I) NEW TAX EXPENDITURES WILL BE EVALUATED IN ACCORDANCE
9 WITH THE SCHEDULE SET BY THE STATE AUDITOR IN SUBSECTION (1)(d) OF
10 THIS SECTION;

11 (II) TAX EXPENDITURES THAT HAVE BEEN EVALUATED BY THE
12 STATE AUDITOR IN ACCORDANCE WITH THIS SECTION DO NOT NEED TO BE
13 EVALUATED AGAIN, BUT THE STATE AUDITOR, IN THE STATE AUDITOR'S
14 DISCRETION, MAY REEVALUATE TAX EXPENDITURES IF THERE HAVE BEEN
15 SUBSTANTIAL CHANGES TO THE TAX EXPENDITURE;

16 (III) TAX EXPENDITURES THAT ARE ON THE STATE AUDITOR'S
17 SCHEDULE FOR EVALUATION BUT HAVE BEEN REPEALED OR ARE SET TO
18 REPEAL WITHIN A YEAR OF THE EVALUATION DO NOT NEED TO BE
19 EVALUATED; AND

20 (IV) FOR A TAX EXPENDITURE THAT IS IN EFFECT FOR THREE YEARS
21 OR LESS, THE STATE AUDITOR SHALL MAKE THE AUDITOR'S BEST EFFORT TO
22 PREPARE A REPORT FOR THE TAX EXPENDITURE USING THE BEST
23 AVAILABLE DATA.

24 (d) (I) No later than September 15, 2017, the state auditor shall
25 develop and publish a multi-year schedule that lists all tax expenditures

1 in law as of July 1, 2017, and indicates the year when the evaluation
2 report will be published for each tax expenditure. In developing the
3 multi-year schedule the state auditor shall endeavor to review the oldest
4 tax expenditures first and shall endeavor to review a tax expenditure with
5 a statutory repeal date so that the evaluation report for such tax
6 expenditure is available during the legislative session held in the calendar
7 year before the tax expenditure is scheduled to repeal.

8 (II) The state auditor may revise the schedule ESTABLISHED IN
9 SUBSECTION (1)(d)(I) OF THIS SECTION so long as the state auditor
10 continues to provide for a systematic evaluation of all tax expenditures,
11 including any new tax expenditures enacted by the general assembly since
12 the publication of a previous evaluation report. ~~and so long as each tax~~
13 ~~expenditure is reviewed at least once every five years.~~ IN REVISING THE
14 SCHEDULE, THE STATE AUDITOR MAY CONSIDER WHEN SUFFICIENT DATA
15 IS EXPECTED TO BE AVAILABLE IN ORDER TO REVIEW A TAX EXPENDITURE.

16 (e) Notwithstanding section 2-3-103 (2), ~~C.R.S.~~, the state auditor
17 shall present the results in the form of an evaluation report that the state
18 auditor shall ensure is posted on the general assembly's website, and,
19 notwithstanding section 24-1-136 (9), ~~C.R.S.~~, the state auditor shall
20 deliver a copy of the report to the joint budget committee and the finance
21 committees of the senate and the house of representatives. The state
22 auditor shall ensure the first evaluation report is delivered and posted no
23 later than September 14, 2018, and shall ensure subsequent evaluation
24 reports are delivered and posted no later than ~~September 15~~ JUNE 30 of
25 each year thereafter.

26 **SECTION 2.** In Colorado Revised Statutes, **add** 39-21-306 as
27 follows:

1 **39-21-306. State auditor report - federal tax law and changes**
2 **that impact the state tax base.** (1) ANNUALLY, THE STATE AUDITOR
3 SHALL STUDY AND EVALUATE IMPACTS TO THE STATE'S POLICY OF USING
4 FEDERAL TAXABLE INCOME AS THE BASIS FOR COLORADO TAXABLE
5 INCOME. THE EVALUATION MUST INCLUDE A REVIEW OF FEDERAL TAX
6 LAW, INCLUDING CHANGES, THAT MAY HAVE A SIGNIFICANT IMPACT ON
7 THE STATE'S TAX BASE OR OTHERWISE IMPACT TAXABLE INCOME WITHIN
8 THE STATE.

9 (2) NOTWITHSTANDING SECTIONS 2-3-103 (2) AND 24-1-136 (9),
10 THE STATE AUDITOR SHALL PRESENT THE FINDINGS MADE PURSUANT TO
11 SUBSECTION (1) OF THIS SECTION IN THE FORM OF A REPORT THAT MUST BE
12 POSTED ON THE GENERAL ASSEMBLY'S WEBSITE AND DELIVERED TO THE
13 JOINT BUDGET COMMITTEE AND THE FINANCE COMMITTEES OF THE SENATE
14 AND THE HOUSE OF REPRESENTATIVES. THE STATE AUDITOR SHALL ENSURE
15 THAT THE FIRST REPORT IS DELIVERED NO LATER THAN JUNE 30, 2025, AND
16 SHALL ENSURE THAT SUBSEQUENT REPORTS ARE DELIVERED NO LATER
17 THAN JUNE 30 OF EACH YEAR THEREAFTER.

18 (3) (a) ANY RECORDS, INFORMATION, OR DOCUMENTATION
19 GENERATED PURSUANT TO THIS SECTION ARE WORK PAPERS OF THE STATE
20 AUDITOR AND SHALL BE OPEN TO PUBLIC INSPECTION ONLY UPON
21 APPROVAL OF A MAJORITY OF MEMBERS OF THE LEGISLATIVE AUDIT
22 COMMITTEE CREATED IN SECTION 2-3-101. ONLY THE SPECIFIC WORK
23 PAPERS THAT THE LEGISLATIVE AUDIT COMMITTEE VOTES TO APPROVE FOR
24 DISCLOSURE SHALL BE OPEN TO PUBLIC INSPECTION. WORK PAPERS THAT
25 HAVE NOT BEEN SPECIFICALLY APPROVED FOR DISCLOSURE BY A MAJORITY
26 VOTE OF THE LEGISLATIVE AUDIT COMMITTEE SHALL REMAIN
27 CONFIDENTIAL. UNDER NO CIRCUMSTANCES SHALL THE WORK PAPERS BE

1 OPEN TO PUBLIC INSPECTION PRIOR TO A COMPLETED REPORT BEING
2 POSTED AS SPECIFIED IN SUBSECTION (2) OF THIS SECTION.

3 (b) (I) THE STATE AUDITOR SHALL COLLABORATE, AT LEAST
4 ANNUALLY, WITH THE DEPARTMENT REGARDING THE DEPARTMENT'S
5 KNOWLEDGE OR AWARENESS OF:

6 (A) ANY EXPECTED IMPACTS TO THE STATE'S POLICY OF USING
7 FEDERAL TAXABLE INCOME AS THE BASIS FOR COLORADO TAXABLE
8 INCOME; AND

9 (B) FEDERAL TAX LAW CHANGES THAT MAY HAVE A SIGNIFICANT
10 IMPACT ON THE STATE'S TAX BASE OR OTHERWISE IMPACT TAXABLE
11 INCOME WITHIN THE STATE.

12 (II) AS NECESSARY TO DETERMINE THE IMPACTS DESCRIBED IN
13 SUBSECTION (3)(b)(I) OF THIS SECTION, THE DEPARTMENT SHALL PROVIDE
14 THE STATE AUDITOR WITH STATISTICS, SO CLASSIFIED AS TO PREVENT THE
15 IDENTIFICATION OF PARTICULAR REPORTS OR RETURNS AND THE ITEMS
16 THEREOF, TO THE EXTENT AUTHORIZED IN SECTION 39-21-113 (5), SECTION
17 6103 (d)(1) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS
18 AMENDED, AND THE REGULATIONS AND POLICIES PROMULGATED THERETO.

19 (c) THE STATE AUDITOR'S AUTHORITY SET FORTH IN SECTION
20 2-3-107 APPLIES TO THE STATE AUDITOR'S REPORT SET FORTH IN THIS
21 SECTION.

22 **SECTION 3.** In Colorado Revised Statutes, 39-21-403, **amend**
23 (2)(c)(I) as follows:

24 **39-21-403. Legislative oversight committee concerning tax**
25 **policy - creation - duties - report. (2) Duties. (c) (I) (A)** The committee
26 shall consider the policy considerations contained in the tax expenditure
27 evaluations prepared by the state auditor pursuant to section 39-21-305

1 AND THE INFORMATION CONTAINED IN THE REPORTS PREPARED BY THE
2 STATE AUDITOR PURSUANT TO SECTION 39-21-306 CONCERNING A REVIEW
3 OF FEDERAL TAX LAW, INCLUDING CHANGES, THAT MAY HAVE A
4 SIGNIFICANT IMPACT ON THE STATE'S TAX BASE.

5 (B) NOTWITHSTANDING THE STATE AUDITOR'S SCHEDULE
6 ESTABLISHED PURSUANT TO SECTION 39-21-305 (1)(d), THE COMMITTEE
7 MAY, IN WRITING, DIRECT THE STATE AUDITOR TO EVALUATE UP TO THREE
8 ADDITIONAL SPECIFIC TAX EXPENDITURES TO BE INCLUDED IN THE STATE
9 AUDITOR'S EVALUATION REPORTS DUE FOR THE FOLLOWING YEAR
10 PURSUANT TO SECTION 39-21-305 (1)(e).

11 (C) THE COMMITTEE MAY, IN WRITING, REQUEST THAT THE STATE
12 AUDITOR PREPARE UP TO TWO REPORTS ANNUALLY ON SPECIFIC AND
13 DISCRETE TOPICS RELATED TO EXISTING TAX POLICY. NOT LATER THAN
14 THIRTY DAYS AFTER RECEIPT OF THE REQUEST, THE STATE AUDITOR SHALL
15 PREPARE FOR THE COMMITTEE CHAIR A WRITTEN PROPOSED SCOPE OF
16 WORK CONCERNING THE REQUEST. UPON APPROVAL OF THE PROPOSED
17 SCOPE OF THE WORK BY THE COMMITTEE CHAIR, THE STATE AUDITOR
18 SHALL PROCEED WITH THE RESEARCH AND ANALYSIS REQUIRED TO
19 COMPLETE THE REQUESTED REPORT.

20 **SECTION 4.** In Colorado Revised Statutes, 39-21-404, **add**
21 (2)(c) as follows:

22 **39-21-404. Task force concerning tax policy - creation -**
23 **membership - duties. (2) Issues for study. (c)** UPON REQUEST BY THE
24 TASK FORCE, THE OFFICE OF THE STATE AUDITOR SHALL PRESENT TO THE
25 TASK FORCE THE POLICY CONSIDERATIONS CONTAINED IN THE TAX
26 EXPENDITURE EVALUATIONS PREPARED BY THE STATE AUDITOR PURSUANT
27 TO SECTION 39-21-305 AND THE INFORMATION CONTAINED IN THE

1 REPORTS PREPARED BY THE STATE AUDITOR PURSUANT TO SECTION
2 39-21-306 CONCERNING A REVIEW OF FEDERAL TAX LAW, INCLUDING
3 CHANGES, THAT MAY HAVE A SIGNIFICANT IMPACT ON THE STATE'S TAX
4 BASE.

5 **SECTION 5.** In Colorado Revised Statutes, **amend** 39-21-405 as
6 follows:

7 **39-21-405. Repeal of part.** This part 4 is repealed, effective
8 ~~December 31, 2026.~~ DECEMBER 31, 2031.

9 **SECTION 6. Applicability.** This act applies to tax expenditure
10 evaluation reports of the state auditor on or after the effective date of this
11 act.

12 **SECTION 7. Safety clause.** The general assembly finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, or safety or for appropriations for
15 the support and maintenance of the departments of the state and state
16 institutions.

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

Bill E

LLS NO. 24-0392.01 Pierce Lively x2059

HOUSE BILL

HOUSE SPONSORSHIP

Weissman and Marshall,

SENATE SPONSORSHIP

Kolker and Hansen,

House Committees

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE REINSTATEMENT OF AN INCOME TAX CREDIT TO
102 HELP INCOME-QUALIFIED SENIORS AFFORD HOUSING.

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/>.)

Legislative Oversight Committee Concerning Tax Policy.
Section 2 of the bill reinstates a refundable income tax credit (credit) that was available for the income tax year commencing on January 1, 2022, so that the credit is available for the income tax year commencing on January 1, 2024, and is available in a different amount to joint-filers. The credit is for a qualifying senior, which means a resident individual who:

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

- Is 65 years of age or older at the end of 2024;
- Has federal adjusted gross income (AGI) that is less than or equal to \$75,000 if filing a single return, or less than or equal to \$150,000 if filing a joint return; and
- Has not claimed the senior property tax exemption for the 2024 property tax year.

The amount of the credit is:

- \$1,000 for a qualifying senior filing a single return with federal AGI that is \$25,000 or less. For every \$500 of AGI above \$25,000, the amount of the credit is reduced by \$10.
- \$1,000 for a qualifying senior filing a joint return with another individual who is not a qualifying senior with federal AGI that is \$50,000 or less. For every \$500 of AGI above \$50,000, the amount of the credit is reduced by \$10.
- \$2,000 for a qualifying senior filing a joint return with another qualifying senior with federal AGI that is \$50,000 or less. For every \$500 of AGI above \$50,000, the amount of the credit is reduced by \$10.

Notwithstanding the income-based reductions in the allowable credit amount, a taxpayer who also qualifies for a property tax and rent assistance grant or heat assistance grant during calendar year 2024 is eligible to receive the full credit amount.

Section 1 requires the property tax administrator to provide reports from counties related to taxpayers who are eligible for and actually claim the homestead property tax exemption.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-3-207, **add** (8) as
3 follows:

4 **39-3-207. Reporting of exemptions - reimbursement to local**
5 **governmental entities - repeal.** (8) (a) ON OR BEFORE DECEMBER 1,
6 2024, THE ADMINISTRATOR SHALL PROVIDE A REPORT TO THE
7 DEPARTMENT OF REVENUE WITH THE NAMES AND SOCIAL SECURITY
8 NUMBERS OF ALL APPLICANTS ELIGIBLE FOR THE EXEMPTION FOR THE
9 PROPERTY TAX YEAR COMMENCING ON JANUARY 1, 2024, BASED ON THE
10 ADMINISTRATOR'S EXAMINATION UNDER SUBSECTION (2) OF THIS SECTION
11 OF THE REPORTS RECEIVED IN ACCORDANCE WITH SUBSECTION (1) OF THIS

1 SECTION.

2 (b) ON OR BEFORE APRIL 1, 2025, THE ADMINISTRATOR SHALL
3 PROVIDE A REPORT TO THE DEPARTMENT OF REVENUE WITH THE NAMES
4 AND SOCIAL SECURITY NUMBERS OF ALL TAXPAYERS ENTITLED TO THE
5 EXEMPTION FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1,
6 2024, BASED ON THE ADMINISTRATOR'S EXAMINATION UNDER SUBSECTION
7 (3.5) OF THIS SECTION OF THE REPORTS RECEIVED IN ACCORDANCE WITH
8 SUBSECTION (3) OF THIS SECTION.

9 (c) THIS SUBSECTION (8) IS REPEALED, EFFECTIVE JULY 1, 2025.

10 **SECTION 2.** In Colorado Revised Statutes, 39-22-544, **amend**
11 (3), (4)(a), and (4)(c); **repeal** (2)(b); and **add** (4.5) as follows:

12 **39-22-544. Credit against tax - qualifying seniors - creation -**
13 **legislative declaration - definitions.** (2) As used in this section, unless
14 the context otherwise requires:

15 (b) ~~"Qualifying senior" means a resident individual who:~~

16 (I) ~~Is sixty-five years of age or older at the end of 2022;~~

17 (II) ~~Has a federal adjusted gross income that is less than or equal~~
18 ~~to seventy-five thousand dollars for the income tax year commencing on~~
19 ~~January 1, 2022; and~~

20 (III) ~~Has not claimed a property tax exemption under section~~
21 ~~39-3-203 for the property tax year commencing on January 1, 2022.~~

22 (3) (a) (I) For the income tax year commencing on January 1,
23 2022, a qualifying senior is allowed a credit against the tax imposed by
24 this article 22 in an amount set forth in subsection (4) of this section.

25 (II) AS USED IN THIS SUBSECTION (3)(a), "QUALIFYING SENIOR"
26 MEANS A RESIDENT INDIVIDUAL WHO:

27 (A) IS SIXTY-FIVE YEARS OF AGE OR OLDER AT THE END OF 2022;

1 (B) HAS A FEDERAL ADJUSTED GROSS INCOME THAT IS LESS THAN
2 OR EQUAL TO SEVENTY-FIVE THOUSAND DOLLARS FOR THE INCOME TAX
3 YEAR COMMENCING ON JANUARY 1, 2022; AND

4 (C) HAS NOT CLAIMED A PROPERTY TAX EXEMPTION UNDER
5 SECTION 39-3-203 FOR THE PROPERTY TAX YEAR COMMENCING ON
6 JANUARY 1, 2022.

7 (b) (I) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1,
8 2024, A QUALIFYING SENIOR IS ALLOWED A CREDIT AGAINST THE TAX
9 IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT SET FORTH IN SUBSECTION
10 (4.5) OF THIS SECTION.

11 (II) AS USED IN THIS SUBSECTION (3)(b), "QUALIFYING SENIOR"
12 MEANS A RESIDENT INDIVIDUAL WHO:

13 (A) IS SIXTY-FIVE YEARS OF AGE OR OLDER AT THE END OF 2024;

14 (B) HAS, FOR THE INCOME TAX YEAR COMMENCING ON JANUARY
15 1, 2024, A FEDERAL ADJUSTED GROSS INCOME LESS THAN OR EQUAL TO
16 SEVENTY-FIVE THOUSAND DOLLARS FOR AN INDIVIDUAL FILING A SINGLE
17 RETURN, OR HAS A FEDERAL ADJUSTED GROSS INCOME LESS THAN OR
18 EQUAL TO ONE HUNDRED FIFTY THOUSAND DOLLARS FOR AN INDIVIDUAL
19 FILING A JOINT RETURN; AND

20 (C) HAS NOT CLAIMED A PROPERTY TAX EXEMPTION UNDER
21 SECTION 39-3-203 FOR THE PROPERTY TAX YEAR COMMENCING ON
22 JANUARY 1, 2024.

23 (4) (a) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1,
24 2022, THE AMOUNT OF THE CREDIT IS ONE THOUSAND DOLLARS FOR A QUALIFYING
25 SENIOR WITH FEDERAL ADJUSTED GROSS INCOME THAT IS TWENTY-FIVE THOUSAND
26 DOLLARS OR LESS. FOR EVERY FIVE HUNDRED DOLLARS OF ADJUSTED GROSS INCOME
27 ABOVE TWENTY-FIVE THOUSAND DOLLARS, THE AMOUNT OF THE CREDIT IS REDUCED

1 by ten dollars.

2 (b) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1,
3 2022, the credit is the same whether it is claimed by one taxpayer filing
4 a single return or two taxpayers filing a joint return. In the case of two
5 taxpayers who share the same primary residence and who may legally file
6 a joint return but actually file separate returns, both taxpayers may claim
7 the credit, but the maximum credit for each is five hundred dollars and,
8 for every five hundred dollars of adjusted gross income above twenty-five
9 thousand dollars, the amount of the credit is reduced by five dollars.

10 (c) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1,
11 2022, notwithstanding subsections (4)(a) and (4)(b) of this section, a
12 taxpayer who also qualifies for a grant under article 31 of this title 39
13 during calendar year 2022 is eligible to receive the full credit without an
14 income-based reduction that otherwise applies for the taxpayer under
15 subsection (4)(a) or (4)(b) of this section.

16 (4.5) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1,
17 2024:

18 (a) IN THE CASE OF TWO QUALIFYING SENIORS FILING A JOINT
19 RETURN, THE AMOUNT OF THE CREDIT IS TWO THOUSAND DOLLARS, IF THE
20 QUALIFYING SENIOR FILING A JOINT RETURN HAS A FEDERAL ADJUSTED
21 GROSS INCOME THAT IS FIFTY THOUSAND DOLLARS OR LESS. FOR EVERY
22 FIVE HUNDRED DOLLARS OF ADJUSTED GROSS INCOME ABOVE FIFTY
23 THOUSAND DOLLARS, THE AMOUNT OF THE CREDIT IS REDUCED BY TEN
24 DOLLARS.

25 (b) IN THE CASE OF TWO TAXPAYERS FILING A JOINT RETURN
26 WHERE ONLY ONE OF THE TAXPAYERS IS A QUALIFYING SENIOR, THE
27 AMOUNT OF THE CREDIT IS ONE THOUSAND DOLLARS, IF THE QUALIFYING

1 SENIOR FILING A JOINT RETURN HAS A FEDERAL ADJUSTED GROSS INCOME
2 THAT IS FIFTY THOUSAND DOLLARS OR LESS. FOR EVERY FIVE HUNDRED
3 DOLLARS OF ADJUSTED GROSS INCOME ABOVE FIFTY THOUSAND DOLLARS,
4 THE AMOUNT OF THE CREDIT IS REDUCED BY TEN DOLLARS.

5 (c) IN THE CASE OF A QUALIFYING SENIOR WHO FILES A SEPARATE
6 RETURN, REGARDLESS OF WHETHER THE QUALIFYING SENIOR SHARES THE
7 SAME PRIMARY RESIDENCE AS ANOTHER QUALIFYING SENIOR AND MAY
8 LEGALLY FILE A JOINT RETURN, THE AMOUNT OF THE CREDIT IS ONE
9 THOUSAND DOLLARS FOR A QUALIFYING SENIOR WITH FEDERAL ADJUSTED
10 GROSS INCOME THAT IS TWENTY-FIVE THOUSAND DOLLARS OR LESS. FOR
11 EVERY FIVE HUNDRED DOLLARS OF ADJUSTED GROSS INCOME ABOVE
12 TWENTY-FIVE THOUSAND DOLLARS, THE AMOUNT OF THE CREDIT IS
13 REDUCED BY TEN DOLLARS.

14 (d) NOTWITHSTANDING SUBSECTIONS (4.5)(a), (4.5)(b), AND
15 (4.5)(c) OF THIS SECTION, A TAXPAYER WHO ALSO QUALIFIES FOR A GRANT
16 UNDER ARTICLE 31 OF THIS TITLE 39 DURING CALENDAR YEAR 2024 IS
17 ELIGIBLE TO RECEIVE THE FULL CREDIT WITHOUT AN INCOME-BASED
18 REDUCTION THAT OTHERWISE APPLIES FOR THE TAXPAYER PURSUANT TO
19 SUBSECTIONS (4.5)(a), (4.5)(b), AND (4.5)(c) OF THIS SECTION.

20 **SECTION 3. Act subject to petition - effective date.** This act
21 takes effect at 12:01 a.m. on the day following the expiration of the
22 ninety-day period after final adjournment of the general assembly; except
23 that, if a referendum petition is filed pursuant to section 1 (3) of article V
24 of the state constitution against this act or an item, section, or part of this
25 act within such period, then the act, item, section, or part will not take
26 effect unless approved by the people at the general election to be held in

1 November 2024 and, in such case, will take effect on the date of the
2 official declaration of the vote thereon by the governor.