

CHAPTER 195

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**TAXATION**

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**HOUSE BILL 98-1398**

BY REPRESENTATIVES Tool, Agler, Arrington, Chavez, Dean, Epps, Hefley, Kaufman, Lawrence, Leyba, Mace, McElhany, Morrison, Pfiffner, Reeser, Romero, Salaz, Saliman, Sinclair, Smith, Snyder, Spradley, Tucker, Udall, Veiga, and Zimmerman; also SENATORS Schroeder, Arnold, Bishop, Chlouber, Hernandez, Hopper, Martinez, Mutzebaugh, Norton, Perlmutter, Phillips, Powers, Rupert, and Tanner.

**AN ACT**

CONCERNING A REDUCTION IN THE RATE OF INTEREST ON DEFERRED PROPERTY TAXES.

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

**SECTION 1.** 39-3.5-105 (5), Colorado Revised Statutes, is amended to read:

**39-3.5-105. Listing of tax-deferred property - tax as lien - interest accrual - repeal.** (5) (a) (I) PRIOR TO MAY 1, 1999, interest shall accrue on deferred taxes at the rate of eight percent per annum, beginning May 1 of the calendar year in which the deferral is claimed, until the date on which such taxes are paid. Said interest shall be compounded annually.

(II) THIS PARAGRAPH (a) IS REPEALED, EFFECTIVE MAY 1, 1999.

(b) ON AND AFTER MAY 1, 1999, INTEREST SHALL ACCRUE ON ALL TAXES DEFERRED PURSUANT TO DEFERRALS CLAIMED PRIOR TO THE 1999 CALENDAR YEAR AT THE RATE OF SEVEN PERCENT PER ANNUM UNTIL THE DATE ON WHICH SUCH TAXES ARE PAID. INTEREST SHALL ACCRUE ON ALL TAXES DEFERRED PURSUANT TO DEFERRALS CLAIMED ON AND AFTER JANUARY 1, 1999, AT THE RATE OF SEVEN PERCENT PER ANNUM, BEGINNING MAY 1 OF THE CALENDAR YEAR IN WHICH THE DEFERRAL IS CLAIMED, UNTIL THE DATE ON WHICH SUCH TAXES ARE PAID.

**SECTION 2. No appropriation.** The general assembly has determined that this act can be implemented within existing appropriations, and therefore no separate appropriation of state moneys is necessary to carry out the provisions of this act.

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

**SECTION 3. Effective date.** This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: May 18, 1998