

## CHAPTER 196

---

**GOVERNMENT - LOCAL**


---

## SENATE BILL 14-183

BY SENATOR(S) Heath and Scheffel, Aguilar, Cadman, Crowder, Herpin, Kefalas, Kerr, Newell, Rivera, Schwartz, Todd, Zenzinger, Carroll;  
 also REPRESENTATIVE(S) Pabon and Holbert, Coram, Exum, Lee, Mitsch Bush, Pettersen, Primavera, Rosenthal, Ryden, Schafer, Scott, Williams, Young.

## AN ACT

**CONCERNING AN INCREASE IN THE MAXIMUM TERM OF A BUSINESS INCENTIVE AGREEMENT THAT A LOCAL GOVERNMENT ENTERS INTO WITH A TAXPAYER WHO PAYS BUSINESS PERSONAL PROPERTY TAX.**

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

**SECTION 1.** In Colorado Revised Statutes, 30-11-123, **amend** (1) (b), (1.5) (c), and (2) as follows:

**30-11-123. Legislative declaration - counties - new business facilities - expansion of existing business facilities - incentives - limitations - authority to exceed revenue-raising limitations - definitions.** (1) (b) Notwithstanding any law to the contrary, any county may negotiate for an incentive payment or credit with any taxpayer who establishes a new business facility, as defined in section 39-30-105 (7) (e), C.R.S., in the county. In no instance shall any negotiation result in an annual incentive payment or credit that is greater than the amount of the taxes levied by the county upon the taxable personal property located at or within the new business facility and used in connection with the operation of the new business facility for the current property tax year. The term of any agreement made PRIOR TO AUGUST 6, 2014, pursuant to the provisions of this section **SUBSECTION (1)** shall not exceed ~~four~~ **TEN** years, ~~except that the term of any agreement made or renewed on or after June 3, 2002, may extend to as many as ten years;~~ including the term of any original agreement being renewed. **THE TERM OF ANY AGREEMENT MADE ON OR AFTER AUGUST 6, 2014, PURSUANT TO THIS SUBSECTION (1) SHALL NOT EXCEED THIRTY-FIVE YEARS, WHICH DOES NOT INCLUDE THE TERM OF ANY PRIOR AGREEMENT.**

---

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

(1.5)(c) A county shall not give an annual incentive payment or credit under this subsection (1.5) that is greater than the amount of the taxes levied by the county upon the taxable personal property located at or within the existing business facility and used in connection with the operation of the existing business facility for the current property tax year. The term of an agreement made PRIOR TO AUGUST 6, 2014, pursuant to this subsection (1.5) shall not exceed ten years, and this limit includes any renewals of the original agreement. THE TERM OF AN AGREEMENT MADE ON OR AFTER AUGUST 6, 2014, PURSUANT TO THIS SUBSECTION (1.5) SHALL NOT EXCEED THIRTY-FIVE YEARS, AND THIS LIMIT DOES NOT INCLUDE THE TERM OF ANY PRIOR AGREEMENT. A county shall not give an annual incentive payment or credit under this subsection (1.5), unless the board of county commissioners approves the payment or credit at a public hearing.

(2) Notwithstanding any law to the contrary, any county may negotiate for an incentive payment or credit with any taxpayer who expands a facility, as defined in section 39-30-105 (7) (c), C.R.S., the expansion of which constitutes a new business facility, as defined in section 39-30-105 (7) (e), C.R.S., and that is located in the county. In no instance shall any negotiation result in an annual incentive payment or credit that is greater than the amount of the taxes levied by the county upon the taxable personal property directly attributable to the expansion, located at or within the expanded facility, and used in connection with the operation of the expanded facility for the current property tax year. The term of any agreement made PRIOR TO AUGUST 6, 2014, pursuant to the provisions of this section SUBSECTION (2) shall not exceed ~~four~~ TEN years, ~~except that the terms of any agreement made or renewed on or after June 3, 2002, may extend to as many as ten years,~~ including the term of any original agreement being renewed. THE TERM OF ANY AGREEMENT MADE ON OR AFTER AUGUST 6, 2014, PURSUANT TO THIS SUBSECTION (2) SHALL NOT EXCEED THIRTY-FIVE YEARS, WHICH DOES NOT INCLUDE THE TERM OF ANY PRIOR AGREEMENT.

**SECTION 2.** In Colorado Revised Statutes, 31-15-903, **amend** (1) (b), (1.5) (c), and (2) as follows:

**31-15-903. Legislative declaration - municipalities - new business facilities - expanded or existing business facilities - incentives - limitations - authority to exceed revenue-raising limitation.** (1) (b) Notwithstanding any law to the contrary, any municipality may negotiate for an incentive payment or credit with any taxpayer who establishes a new business facility, as defined in section 39-30-105 (7) (e), C.R.S., in the municipality. In no instance shall any negotiation result in an annual incentive payment or credit that is greater than the amount of taxes levied by the municipality upon the taxable personal property located at or within the new business facility and used in connection with the operation of the new business facility for the current property tax year. The term of any agreement made PRIOR TO AUGUST 6, 2014, pursuant to the provisions of this section SUBSECTION (1) shall not exceed ~~four~~ TEN years, ~~except that the term of any agreement made or renewed on or after June 3, 2002, may extend to as many as ten years,~~ including the term of any original agreement being renewed. THE TERM OF ANY AGREEMENT MADE ON OR AFTER AUGUST 6, 2014, PURSUANT TO THIS SUBSECTION (1) SHALL NOT EXCEED THIRTY-FIVE YEARS, WHICH DOES NOT INCLUDE THE TERM OF ANY PRIOR AGREEMENT.

(1.5) (c) A municipality shall not give an annual incentive payment or credit under this subsection (1.5) that is greater than the amount of the taxes levied by the municipality upon the taxable personal property located at or within the existing business facility and used in connection with the operation of the existing business facility for the current property tax year. The term of an agreement made PRIOR TO AUGUST 6, 2014, pursuant to this subsection (1.5) shall not exceed ten years, and this limit includes any renewals of the original agreement. THE TERM OF AN AGREEMENT MADE ON OR AFTER AUGUST 6, 2014, PURSUANT TO THIS SUBSECTION (1.5) SHALL NOT EXCEED THIRTY-FIVE YEARS, AND THIS LIMIT DOES NOT INCLUDE THE TERM OF ANY PRIOR AGREEMENT. A municipality shall not give an annual incentive payment or credit under this subsection (1.5), unless the governing body of the municipality approves the payment or credit at a public hearing.

(2) Notwithstanding any law to the contrary, any municipality may negotiate for an incentive payment or credit with any taxpayer who expands a facility, as defined in section 39-30-105 (7) (c), C.R.S., the expansion of which constitutes a new business facility, as defined in section 39-30-105 (7) (e), C.R.S., and that is located in the municipality. In no instance shall any negotiation result in an annual incentive payment or credit that is greater than the amount of the taxes levied by the municipality upon the taxable personal property directly attributable to the expansion, located at or within the expanded facility, and used in connection with the operation of the expanded facility for the current property tax year. The term of any agreement made PRIOR TO AUGUST 6, 2014, pursuant to the provisions of this ~~section~~ SUBSECTION (2) shall not exceed ~~four~~ TEN years, ~~except that the terms of any agreement made or renewed on or after June 3, 2002, may extend to as many as ten years, including the term of any original agreement being renewed.~~ THE TERM OF ANY AGREEMENT MADE ON OR AFTER AUGUST 6, 2014, PURSUANT TO THIS SUBSECTION (2) SHALL NOT EXCEED THIRTY-FIVE YEARS, WHICH DOES NOT INCLUDE THE TERM OF ANY PRIOR AGREEMENT.

**SECTION 3.** In Colorado Revised Statutes, 32-1-1702, **amend** (1), (1.5) (c), and (2) as follows:

**32-1-1702. New business facilities - expanded or existing business facilities - incentives - limitations - authority to exceed revenue-raising limitation.**

(1) Notwithstanding any law to the contrary, a special district may negotiate for an incentive payment or credit with a taxpayer who establishes a new business facility, as defined in section 39-30-105 (7) (e), C.R.S., in the special district. In no instance shall any negotiation result in an annual incentive payment or credit that is greater than the amount of taxes levied by the special district upon the taxable business personal property located at or within the new business facility and used in connection with the operation of the new business facility for the current property tax year. The term of any agreement made PRIOR TO AUGUST 6, 2014, pursuant to the provisions of this ~~section~~ SUBSECTION (1) shall not exceed ten years, including the term of any original agreement being renewed. THE TERM OF ANY AGREEMENT MADE ON OR AFTER AUGUST 6, 2014, PURSUANT TO THIS SUBSECTION (1) SHALL NOT EXCEED THIRTY-FIVE YEARS, WHICH DOES NOT INCLUDE THE TERM OF ANY PRIOR AGREEMENT.

(1.5) (c) A special district shall not give an annual incentive payment or credit under this subsection (1.5) that is greater than the amount of the taxes levied by the

special district upon the taxable personal property located at or within the existing business facility and used in connection with the operation of the existing business facility for the current property tax year. The term of an agreement made PRIOR TO AUGUST 6, 2014, pursuant to this subsection (1.5) shall not exceed ten years, and this limit includes any renewals of the original agreement. THE TERM OF AN AGREEMENT MADE ON OR AFTER AUGUST 6, 2014, PURSUANT TO THIS SUBSECTION (1.5) SHALL NOT EXCEED THIRTY-FIVE YEARS, AND THIS LIMIT DOES NOT INCLUDE THE TERM OF ANY PRIOR AGREEMENT. A special district shall not give an annual incentive payment or credit under this subsection (1.5), unless the board of the special district approves the payment or credit at a public hearing.

(2) Notwithstanding any law to the contrary, a special district may negotiate for an incentive payment or credit with a taxpayer who expands a facility, as defined in section 39-30-105 (7) (c), C.R.S., the expansion of which constitutes a new business facility, as defined in section 39-30-105 (7) (e), C.R.S., and that is located in the special district. In no instance shall any negotiation result in an annual incentive payment or credit that is greater than the amount of the taxes levied by the special district upon the taxable business personal property directly attributable to the expansion located at or within the expanded facility and used in connection with the operation of the expanded facility for the current property tax year. The term of any agreement made PRIOR TO AUGUST 6, 2014, pursuant to the provisions of this ~~section~~ SUBSECTION (2) shall not exceed ten years, including the term of any original agreement being renewed. THE TERM OF ANY AGREEMENT MADE ON OR AFTER AUGUST 6, 2014, PURSUANT TO THIS SUBSECTION (2) SHALL NOT EXCEED THIRTY-FIVE YEARS, WHICH DOES NOT INCLUDE THE TERM OF ANY PRIOR AGREEMENT.

**SECTION 4. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 15, 2014