

CHAPTER 222

TAXATION

HOUSE BILL 14-1001

BY REPRESENTATIVE(S) Singer, Young, Becker, Buckner, Court, Exum, Fields, Fischer, Foote, Ginal, Hamner, Hulinghorst, Kraft-Tharp, Labuda, Lebsock, Lee, Melton, Mitsch Bush, Moreno, Pabon, Peniston, Pettersen, Primavera, Rosenthal, Ryden, Salazar, Schafer, Tyler, Vigil, Williams, Ferrandino, Gardner, Gerou;
also SENATOR(S) Nicholson, Jones, Kefalas, Aguilar, Guzman, Heath, Herpin, Newell, Schwartz, Steadman, Todd, Carroll.

AN ACT

CONCERNING THE CREATION OF A PROPERTY TAX REIMBURSEMENT FOR A TAXPAYER THAT OWES PROPERTY TAX ON PROPERTY THAT HAS BEEN DESTROYED BY A NATURAL CAUSE, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING APPROPRIATIONS.

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

SECTION 1. In Colorado Revised Statutes, **add** 39-1-123 as follows:

39-1-123. Property tax reimbursement - property destroyed by natural cause. (1) **Eligibility.** FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2013, REAL OR BUSINESS PERSONAL PROPERTY LISTED ON A SINGLE SCHEDULE THAT WAS DESTROYED BY A NATURAL CAUSE AS DEFINED IN SECTION 39-1-102(8.4), AS DETERMINED BY THE COUNTY ASSESSOR IN THE COUNTY IN WHICH THE PROPERTY IS LOCATED, SHALL BE SUBJECT TO A REIMBURSEMENT FROM THE STATE IN AN AMOUNT EQUAL TO THE PROPERTY TAX LIABILITY APPLICABLE TO THE DESTROYED PROPERTY IN THE PROPERTY TAX YEAR IN WHICH THE NATURAL CAUSE OCCURRED.

(2) **Report of destroyed properties.** (a) (I) FOR THE PROPERTY TAX YEAR COMMENCING JANUARY 1, 2013, ON OR BEFORE JULY 1, 2014, OR ON OR BEFORE OCTOBER 1, 2014, FOR PUBLIC UTILITIES IDENTIFIED IN ARTICLE 4 OF THIS TITLE, THE ASSESSOR OF EACH COUNTY WITH PROPERTY DESTROYED BY A NATURAL CAUSE DURING THE YEAR SHALL FORWARD TO THE APPLICABLE COUNTY TREASURER A REPORT OF THE TAXABLE REAL OR BUSINESS PERSONAL PROPERTY IN THE COUNTY THAT WAS DESTROYED BY A NATURAL CAUSE. THE REPORT MUST INCLUDE THE INFORMATION SPECIFIED IN PARAGRAPH (b) OF THIS SUBSECTION (2).

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

(II) FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2014, ON OR BEFORE DECEMBER 15 OF THE APPLICABLE PROPERTY TAX YEAR, THE ASSESSOR OF EACH COUNTY WITH PROPERTY DESTROYED BY A NATURAL CAUSE SHALL FORWARD TO THE APPLICABLE COUNTY TREASURER A REPORT OF THE TAXABLE REAL OR BUSINESS PERSONAL PROPERTY IN THE COUNTY THAT WAS DESTROYED BY A NATURAL CAUSE THROUGH NOVEMBER OF THE YEAR. THE REPORT MUST INCLUDE THE INFORMATION SPECIFIED IN PARAGRAPH (b) OF THIS SUBSECTION (2).

(III) IF AFTER SUBMITTING A REPORT TO THE COUNTY TREASURER PURSUANT TO SUBPARAGRAPH (I) OR (II) OF THIS PARAGRAPH (a), THE COUNTY ASSESSOR DISCOVERS ANY TAXABLE REAL OR BUSINESS PERSONAL PROPERTY THAT WAS DESTROYED BY A NATURAL CAUSE DURING THE APPLICABLE PROPERTY TAX YEAR THAT WAS NOT INCLUDED IN THE REPORT, THE COUNTY ASSESSOR SHALL FORWARD TO THE COUNTY TREASURER A SUPPLEMENTAL REPORT OF THE ADDITIONAL TAXABLE REAL OR BUSINESS PERSONAL PROPERTY IN THE COUNTY THAT WAS DESTROYED BY A NATURAL CAUSE. THE REPORT MUST INCLUDE THE INFORMATION SPECIFIED IN PARAGRAPH (b) OF THIS SUBSECTION (2). IF APPLICABLE, THE COUNTY ASSESSOR SHALL FORWARD THE SUPPLEMENTAL REPORT TO THE COUNTY TREASURER ON OR BEFORE JULY 1, OR FOR PUBLIC UTILITIES IDENTIFIED IN ARTICLE 4 OF THIS TITLE, ON OR BEFORE OCTOBER 1 OF THE YEAR FOLLOWING THE PROPERTY TAX YEAR IN WHICH THE PROPERTY WAS DESTROYED BY A NATURAL CAUSE.

(b) (I) IN THE CASE OF TAXABLE REAL PROPERTY, THE REPORTS REQUIRED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (2) SHALL INCLUDE THE FOLLOWING:

(A) THE LEGAL DESCRIPTION OF EACH PARCEL OF REAL PROPERTY IN THE COUNTY CONTAINING THE REAL PROPERTY DESTROYED BY A NATURAL CAUSE IN THE APPLICABLE PROPERTY TAX YEAR;

(B) THE SCHEDULE OR PARCEL NUMBER FOR EACH PARCEL OF REAL PROPERTY CONTAINING THE REAL PROPERTY DESTROYED BY A NATURAL CAUSE IN THE APPLICABLE PROPERTY TAX YEAR;

(C) THE NAME OF THE REAL PROPERTY OWNER ON RECORD;

(D) A DESCRIPTION OF THE REAL PROPERTY AND THE DATE OF THE DESTRUCTION;
AND

(E) THE PRORATED PROPERTY TAXES DUE ON THE DESTROYED REAL PROPERTY FOR THE APPLICABLE PROPERTY TAX YEAR ACCORDING TO THE RECORDS OF THE COUNTY ASSESSOR.

(II) IN THE CASE OF TAXABLE BUSINESS PERSONAL PROPERTY, THE REPORTS REQUIRED PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (2) SHALL INCLUDE THE FOLLOWING:

(A) THE SCHEDULE OR IDENTIFYING NUMBER FOR THE BUSINESS PERSONAL PROPERTY DESTROYED BY A NATURAL CAUSE;

(B) THE NAME OF THE TAXPAYER WHO OWNS OR LEASES THE BUSINESS PERSONAL

PROPERTY THAT WAS DESTROYED BY A NATURAL CAUSE AND THE NAME OF THE ENTITY UNDER WHICH THE TAXPAYER DOES BUSINESS, IF APPLICABLE; AND

(C) THE PROPERTY TAXES DUE ON THE DESTROYED BUSINESS PERSONAL PROPERTY FOR THE APPLICABLE PROPERTY TAX YEAR ACCORDING TO THE RECORDS OF THE COUNTY ASSESSOR.

(3) Verification of property taxes owed. (a) WITHIN THIRTY CALENDAR DAYS OF RECEIVING A REPORT FROM THE COUNTY ASSESSOR PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE COUNTY TREASURER OF THE SAME COUNTY SHALL VERIFY THE TOTAL AMOUNT OF THE PROPERTY TAX IN THE COUNTY THAT IS ELIGIBLE FOR REIMBURSEMENT PURSUANT TO SUBSECTION (1) OF THIS SECTION. THE COUNTY TREASURER SHALL CALCULATE SUCH AMOUNT BASED ON THE CERTIFIED TAX ROLL THAT THE COUNTY TREASURER RECEIVES FROM THE COUNTY ASSESSOR, AS ADJUSTED BY ANY PRORATION OF THE AMOUNT OF PROPERTY TAXES OWED DUE TO THE DESTRUCTION OF THE PROPERTY.

(b) AS SOON AS PRACTICABLE AFTER VERIFYING THE TOTAL AMOUNT OF PROPERTY TAX IN THE COUNTY THAT IS ELIGIBLE TO BE REIMBURSED, THE COUNTY TREASURER SHALL TRANSMIT A REPORT TO THE STATE TREASURER THAT INCLUDES THE COUNTY TREASURER'S VERIFICATION AND THE REPORT OF THE DESTROYED PROPERTIES FROM THE COUNTY ASSESSOR.

(4) State treasurer to pay county treasurer. AFTER RECEIVING A REPORT FROM A COUNTY TREASURER PURSUANT TO SUBSECTION (3) OF THIS SECTION, AND SUBJECT TO APPROPRIATION, THE STATE TREASURER SHALL ISSUE A REIMBURSEMENT WARRANT TO THE APPLICABLE COUNTY TREASURER IN AN AMOUNT EQUAL TO THE TOTAL AMOUNT OF PROPERTY TAX DUE IN THE COUNTY THAT IS ELIGIBLE TO BE REIMBURSED PURSUANT TO SUBSECTION (1) OF THIS SECTION FOR THE APPLICABLE PROPERTY TAX YEAR. THE REIMBURSEMENT SHALL BE PAID FROM THE STATE GENERAL FUND.

(5) Reimbursement. (a) WITHIN THIRTY CALENDAR DAYS OF THE RECEIPT OF MONEYS FROM THE STATE TREASURER PURSUANT TO SUBSECTION (4) OF THIS SECTION, THE COUNTY TREASURER SHALL:

(I) APPLY A CREDIT TO THE TAX BILL OF THE DESTROYED PROPERTY FOR THAT YEAR IN THE AMOUNT OF THE EXPECTED REIMBURSEMENT AND APPLY THE REIMBURSEMENT RECEIVED FROM THE TREASURER TO SUCH CREDIT; OR

(II) PAY THE PROPERTY TAX OWED FOR EACH DESTROYED PROPERTY. IF THE PROPERTY TAX DUE FOR THE DESTROYED PROPERTY HAS ALREADY BEEN PAID, THE COUNTY TREASURER SHALL ISSUE A REIMBURSEMENT TO THE TAXPAYER'S LAST RECORDED MAILING ADDRESS.

(b) THE COUNTY TREASURER SHALL WAIVE ANY INTEREST ON UNPAID PROPERTY TAXES THAT ARE PAID PURSUANT TO THIS SUBSECTION (5).

(c) IF ANY REIMBURSEMENTS ARE RETURNED TO THE COUNTY TREASURER AS UNDELIVERABLE, THE COUNTY TREASURER SHALL HOLD THE REIMBURSEMENT FOR SIX MONTHS FROM THE DATE THAT THE REIMBURSEMENT WAS RETURNED TO THE

COUNTY TREASURER, AND THE TAXPAYER MAY CLAIM THE REIMBURSEMENT FROM THE COUNTY TREASURER. THE COUNTY TREASURER SHALL RETURN TO THE STATE TREASURER ANY REIMBURSEMENTS THAT HAVE NOT BEEN CLAIMED BY THE TAXPAYER WITHIN SUCH TIME.

(d) THE STATE TREASURER SHALL TRANSFER TO THE GENERAL FUND ANY MONEYS THAT HE OR SHE RECEIVES FROM A COUNTY TREASURER PURSUANT TO PARAGRAPH (c) OF THIS SUBSECTION (5).

(e) NOTHING IN THIS SUBSECTION (5) SHALL BE CONSTRUED TO REQUIRE A COUNTY TREASURER TO CREDIT OR PAY THE PROPERTY TAX BILL OF ANY DESTROYED PROPERTY PRIOR TO THE COUNTY TREASURER'S RECEIPT OF A REIMBURSEMENT WARRANT FROM THE STATE TREASURER PURSUANT TO SUBSECTION (4) OF THIS SECTION.

(6) **Review.** DURING THE FIRST REGULAR SESSION OF THE SEVENTY-FIRST GENERAL ASSEMBLY, THE FINANCE COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES, SHALL REVIEW THE PROVISIONS OF THIS SECTION AND MAKE RECOMMENDATIONS REGARDING WHETHER THE PROVISIONS SHOULD BE CONTINUED, REPEALED, OR CONTINUED WITH MODIFICATIONS.

SECTION 2. Appropriation - adjustments to 2014 long bill. (1) For the implementation of this act, the general fund appropriation made in the annual general appropriation act to the controlled maintenance trust fund created in section 24-75-302.5 (2) (a), Colorado Revised Statutes, for the fiscal year beginning July 1, 2014, is decreased by \$2,221,828.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of treasury, for the fiscal year beginning July 1, 2014, the sum of \$2,221,828, or so much thereof as may be necessary, for reimbursement to county treasurers pursuant to section 39-1-123 (4), Colorado Revised Statutes, related to the implementation of this act.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 17, 2014