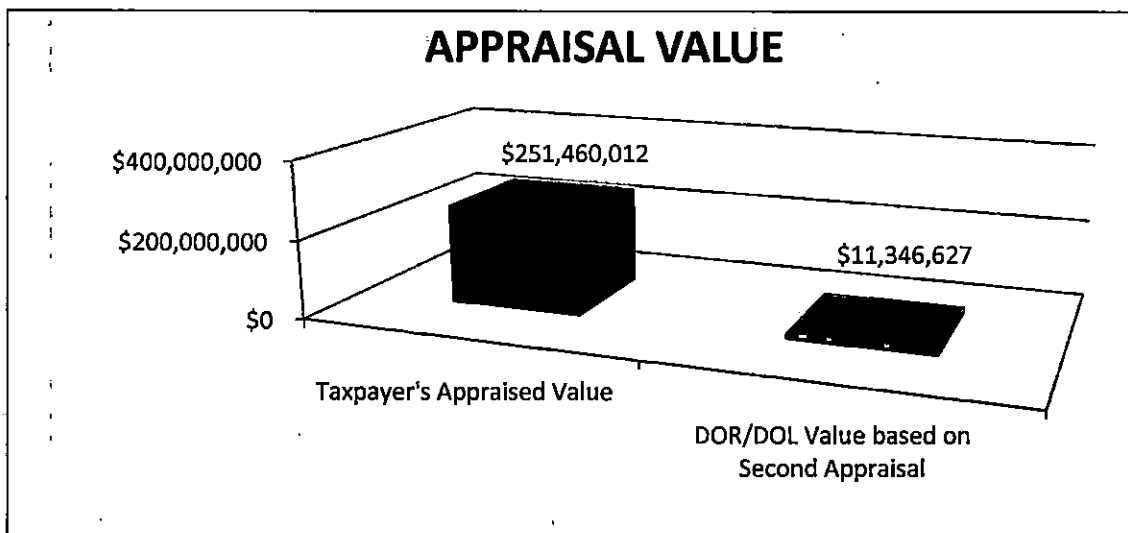


**COLORADO DEPARTMENT OF REVENUE (DOR)  
GROSS CONSERVATION EASEMENT (GCE) CREDIT INFORMATION FOR SB16-044**

**COMPARISON OF TAXPAYER APPRAISALS  
TO  
CONTRACTED SECOND APPRAISALS ON 327 DONATIONS**

	<b>APPRAISAL VALUE</b>
Number of Donations Appraised	327
Taxpayer's Appraised Value	\$251,460,012
DOR/DOL Value based on Second Appraisal	\$11,346,627
Difference	\$240,113,385
Percent Overvalued	2116.17%

**Notes:**

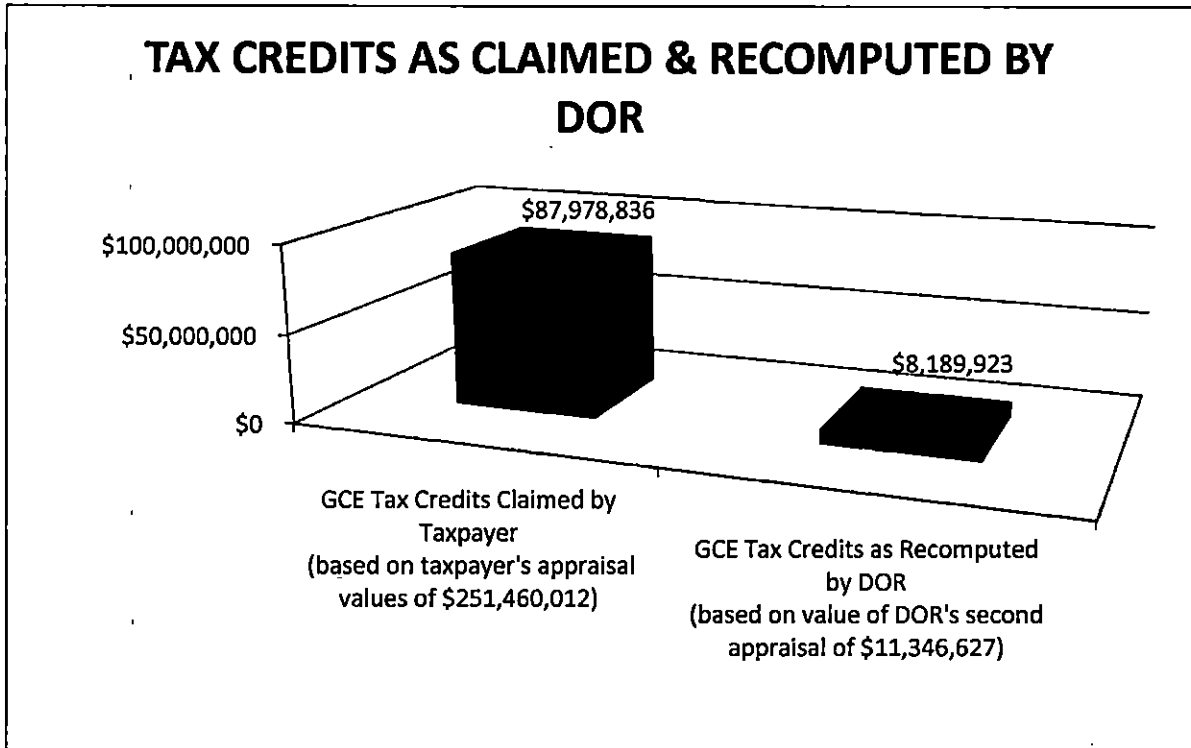
The Colorado Department of Revenue (DOR) and the Colorado Department of Law (DOL) contracted with independent Colorado licensed real estate appraisers to obtain a second appraisal on many Gross Conservation Easement (GCE) donations. The chart above depicts the results of 327 completed second appraisals. In these 327 appraisals, the taxpayer's claimed a CE donation value of over \$250M, the DOR/DOL contracted appraisers valued these same donations at just over \$11M.

The DOR has disallowed tax credits associated with 710 GCE donations. The data in the above chart reflects only donations where a completed second appraisal was received by the DOR or the DOL. This data does not include the second appraisals that were commenced but where the case settled prior to the contracted appraiser finalizing their appraisal report. Many cases included substantial validity issues (e.g. perpetuity of the easement, subordination of mortgages, duplicate sales of credits or multiple donations of easements in the same tax year) in addition to valuation issues. Many of these cases settled prior to an actual appraisal of the specific donation based upon the taxpayer's reconsideration of their original appraisal and their litigation risk of both valuation and validity issues. As of January 20, 2016, the DOR has resolved or settled (including settlement in principle) 622 of the 710 cases.

**COLORADO DEPARTMENT OF REVENUE (DOR)  
GROSS CONSERVATION EASEMENT (GCE) CREDIT INFORMATION FOR SB16-044**

**COMPARISON OF TAX CREDITS CLAIMED BASED ON TAXPAYER APPRAISALS  
TO  
DOR RECOMPUTED CREDIT AMOUNT BASED ON 327 SECOND APPRAISALS**

	<b>TAX CREDIT AMOUNTS</b>
Number of Donations Re-appraised	327
GCE Tax Credits Claimed by Taxpayer (based on taxpayer's appraisal values of \$251,460,012)	\$87,978,836
GCE Tax Credits as Recomputed by DOR (based on value of DOR's second appraisal of \$11,346,627)	\$8,189,923
Difference	\$79,788,913
Percent Overclaimed	974.23%



**Notes:**

The Colorado Department of Revenue (DOR) and the Colorado Department of Law (DOL) contracted with independent Colorado licensed real estate appraisers to obtain a second appraisals of many Gross Conservation Easement (GCE) donations. The DOR and DOL received second appraisals on 327 donations. The above chart depicts the recomputed GCE tax credit calculated based upon the GCE donation value obtained from the second appraisal. The recomputed credit by DOR does not reflect the actual settlement of the cases as the final settlement amount also considers validity issues and litigation risk in reaching a final negotiated settlement of the case with the taxpayer .