

SENATE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

February 13, 2009  
Date

Committee on Appropriations.

After consideration on the merits, the Committee recommends the following:

SB09-042 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend the Finance Committee Report, dated January 20, 2009, page 1,  
2 strike lines 1 through 4 and substitute the following:

3 "Amend printed bill, page 2, strike lines 20 and 21.

4 Page 3, strike lines 1 through 6 and substitute the following:

5 "(b) (I) THE OPERATOR OF THE PROPERTY IS A NONPROFIT ENTITY  
6 THAT WOULD OTHERWISE QUALIFY FOR PROPERTY TAX EXEMPTION UNDER  
7 ARTICLE 3 OF THIS TITLE AND IS A GENERAL MANAGER OR MANAGING  
8 MEMBER OF THE OWNER, AND THE PROPERTY IS OWNED BY:

9 (A) AN ENTITY ORGANIZED FOR THE PURPOSE OF OBTAINING TAX  
10 CREDITS THROUGH THE NEW MARKETS TAX CREDIT PROGRAM UNDER 26  
11 U.S.C. SEC. 45 D OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986",  
12 AS AMENDED, AND HAS BEEN ALLOCATED CREDITS; AND

13 (B) AN ENTITY THAT MAKES PAYMENTS IN LIEU OF PROPERTY  
14 TAXES PURSUANT TO SECTION 39-3-114.5.

15 (II) THE PROVISIONS OF THIS PARAGRAPH (b) SHALL APPLY TO  
16 APPLICATIONS FOR EXEMPTION FILED ON OR AFTER JANUARY 1, 2009, OR  
17 THAT ARE PENDING ON THAT DATE."."

1 Page 4 of the printed bill, after line 17, insert the following:

2 "SECTION 3. Article 3 of title 39, Colorado Revised Statutes, is  
3 amended BY THE ADDITION OF A NEW SECTION to read:

4 **39-3-114.5. Charitable exemption - owner claiming federal tax**  
5 **credit - fee in lieu of school district tax.** (1) WHENEVER AN ENTITY  
6 ORGANIZED FOR THE PURPOSE OF OBTAINING TAX CREDITS THROUGH THE  
7 NEW MARKETS TAX CREDIT PROGRAM UNDER 26 U.S.C. SEC. 45 D OF THE  
8 FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, OWNS AN  
9 INTEREST IN REAL PROPERTY FOR WHICH AN EXEMPTION IS CLAIMED, THE  
10 ENTITY SHALL PAY ANNUALLY TO THE TREASURER OF THE COUNTY IN  
11 WHICH THE PROPERTY IS LOCATED A PAYMENT IN LIEU OF TAXES, WHICH  
12 PAYMENT SHALL NOT EXCEED THE AMOUNT OF TAXES THAT WOULD BE  
13 DUE FOR TOTAL PROGRAM FOR THE SCHOOL DISTRICT IN WHICH THE  
14 PROPERTY IS LOCATED IF THE INTEREST WERE TAXABLE.

15 (2) EACH YEAR DURING THE REGULAR TAX ASSESSMENT PERIOD,  
16 THE BOARD OF COUNTY COMMISSIONERS OF EACH COUNTY IN WHICH A  
17 REAL PROPERTY INTEREST DESCRIBED IN SUBSECTION (1) OF THIS SECTION  
18 IS LOCATED SHALL PROVIDE TO EACH ENTITY THAT HOLDS SUCH REAL  
19 PROPERTY INTEREST THE FOLLOWING INFORMATION IN THE SAME MANNER  
20 AS SUCH INFORMATION IS PROVIDED TO ANY OTHER OWNER OF REAL  
21 PROPERTY IN THE COUNTY:

22 (a) THE CURRENT ASSESSED VALUE OF THE REAL PROPERTY  
23 INTEREST EXPRESSED IN DOLLARS;

24 (b) THE AMOUNT OF THE PAYMENT IN LIEU OF TAXES DUE ON THE  
25 REAL PROPERTY INTEREST BASED ON THE VALUE AND TAX RATE LEVIED  
26 FOR TOTAL PROGRAM FOR THE SCHOOL DISTRICT IN WHICH THE PROPERTY  
27 IS LOCATED THAT WOULD BE APPLICABLE TO THE REAL PROPERTY  
28 INTEREST IF IT WERE TAXABLE; AND

29 (c) THE DATE THE PAYMENT IN LIEU OF TAXES IS DUE FOR SUCH  
30 REAL PROPERTY INTEREST BASED ON THE DATE PROPERTY TAXES WITHIN  
31 THE COUNTY ARE DUE.

32 (3) THE TREASURER OF EACH COUNTY THAT RECEIVES A PAYMENT  
33 IN LIEU OF TAXES PURSUANT TO THIS SECTION SHALL PAY OVER TO THE  
34 SCHOOL DISTRICT IN WHICH THE REAL PROPERTY INTEREST DESCRIBED IN

1 SUBSECTION (1) OF THIS SECTION IS LOCATED THE AMOUNT OF THE TOTAL  
2 PAYMENT; EXCEPT THAT THE TREASURER MAY DEDUCT THE COSTS  
3 INCURRED BY THE TREASURER IN ADMINISTERING THIS SUBSECTION (3).

4 (4) EACH SCHOOL DISTRICT THAT RECEIVES A PAYMENT IN LIEU OF  
5 TAXES PURSUANT TO THIS SECTION SHALL CERTIFY THE AMOUNT PAID OR  
6 RECEIVED TO THE STATE BOARD OF EDUCATION."

7 Renumber succeeding sections accordingly.

8 Page 5 of the printed bill, after line 12, insert the following:

9 "SECTION 6. 22-54-115 (1) (a), Colorado Revised Statutes, is  
10 amended to read:

11 **22-54-115. Distribution from state public school fund.** (1) No  
12 later than June 30 of each year, the state board shall determine the amount  
13 of the state's share of the district's total program for the budget year  
14 beginning on July 1, and the total thereof for all districts, which amount  
15 shall be payable in twelve approximately equal monthly payments during  
16 such budget year; except that:

17 (a) Such payments shall be adjusted following the certification of  
18 pupil enrollments, the certification of valuations for assessment to the  
19 state board pursuant to section 22-54-112 (1) and (2), ~~and~~ the certification  
20 of the amount of any impact assistance grants on behalf of school districts  
21 pursuant to section 30-25-302, C.R.S., AND THE CERTIFICATION OF ANY  
22 PAYMENTS IN LIEU OF TAXES RECEIVED BY SCHOOL DISTRICTS PURSUANT  
23 TO SECTION 39-3-114.5, C.R.S.;".

24 Renumber succeeding section accordingly.

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