

**First Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 13-1007.01 Gregg Fraser x4325

**SENATE BILL 13-281**

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**SENATE SPONSORSHIP**

**Crowder,**

**HOUSE SPONSORSHIP**

**(None),**

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**Senate Committees**  
State, Veterans, & Military Affairs

**House Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING THE EXPEDITIOUS RESOLUTION OF DISPUTED CLAIMS FOR**  
102             **STATE INCOME TAX CREDITS ALLOWED FOR THE DONATION OF**  
103             **A PERPETUAL CONSERVATION EASEMENT.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

Taxpayers may claim a state income tax credit for a portion of the value of a perpetual conservation easement that the taxpayer donates. If the executive director of the department of revenue disputes the claim of the credit, current law sets forth procedures for resolving the claim

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

administratively or through an appeal process in the courts. In the past, a significant number of claims have been disputed and are in the process of being resolved.

The bill requires all disputes for tax credits claimed prior to July 1, 2008, to be resolved by July 1, 2014, and prohibits the state from using any funds, resources, or personnel to continue to litigate these disputed claims after that date.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-522.5, **amend**  
3 (3) and (4); and **add** (15) as follows:

4 **39-22-522.5. Conservation easement tax credits - dispute**  
5 **resolution - legislative declaration.** (3) A tax matters representative  
6 who does not make an election to waive a hearing pursuant to subsection  
7 (2) of this section and appeal directly to a district court may send a written  
8 request for hearing and final determination by certified mail to the  
9 executive director on or before October 1, 2011. If a tax matters  
10 representative files a request pursuant to this subsection (3), the executive  
11 director shall issue a final determination on or before ~~July 1, 2014~~ JULY  
12 1, 2013, unless the executive director and the tax matters representative  
13 mutually agree in writing to extend such date to a specified date. The  
14 executive director shall send a copy of the final determination to the tax  
15 matters representative by certified mail on or before ~~July 1, 2014~~ JULY 1,  
16 2013. If the United States post office returns the final determination as  
17 undeliverable by certified mail, the department shall then mail the final  
18 determination in accordance with section 39-21-105.5. This subsection  
19 (3) shall apply only to those tax matters representatives for which a notice  
20 of deficiency, notice of disallowance, or notice of rejection of refund  
21 claim has been mailed by the department of revenue as of May 1, 2011,  
22 but for which a final determination has not been issued before May 19,

1 2011.

2 (4) The executive director shall issue a final determination on or  
3 before ~~July 1, 2016~~ JULY 1, 2013, for any tax matters representative who  
4 does not make an election to waive a hearing pursuant to subsection (2)  
5 of this section or file a written request for final hearing and final  
6 determination with the executive director pursuant to subsection (3) of  
7 this section. The executive director shall send a copy of the final  
8 determination to the tax matters representative by certified mail on or  
9 before ~~July 1, 2016~~ JULY 1, 2013. If the United States post office returns  
10 the final determination as undeliverable by certified mail, the department  
11 shall then mail the final determination in accordance with section  
12 39-21-105.5. If a tax matters representative does not make an election to  
13 waive a hearing pursuant to subsection (2) of this section or file a written  
14 request for final hearing and final determination with the executive  
15 director pursuant to subsection (3) of this section, any person who has  
16 claimed a credit or who may be eligible to claim a tax credit in relation to  
17 the tax matters representative's donation may petition the department on  
18 or before November 1, 2011, to change the tax matters representative's  
19 designation. The executive director shall promulgate rules on or before  
20 September 1, 2011, specifying the procedures for a change to the tax  
21 matters representative's designation when the executive director  
22 determines that the tax matters representative is unavailable or unwilling  
23 to act as the tax matters representative. If the department grants the  
24 petition, the new tax matters representative may file an appeal pursuant  
25 to subsection (2) of this section or file a written request for final hearing  
26 and final determination with the executive director pursuant to subsection  
27 (3) of this section within thirty days of the department's order regarding

1 the petition. This subsection (4) shall apply only to those tax matters  
2 representatives for which a notice of deficiency, notice of disallowance,  
3 or notice of rejection of refund claim has been mailed by the department  
4 of revenue as of May 1, 2011, but for which a final determination has not  
5 been issued before May 19, 2011.

6 (15) THE GENERAL ASSEMBLY FINDS THAT THE EXPEDITIOUS AND  
7 EQUITABLE RESOLUTION OF A DISPUTED CLAIM MADE PRIOR TO JULY 1,  
8 2008, FOR A CONSERVATION EASEMENT TAX CREDIT PURSUANT TO  
9 SECTION 39-22-522, SHOULD BE COMPLETED NO LATER THAN JUNE 30,  
10 2014. NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY, ON  
11 AND AFTER JULY 1, 2014, NEITHER THE DEPARTMENT OF REVENUE NOR  
12 THE ATTORNEY GENERAL'S OFFICE OR ANY OTHER STATE DEPARTMENT,  
13 AGENCY, OR OFFICE MAY USE ANY FUNDS, RESOURCES, OR PERSONNEL TO  
14 CONTINUE NONFINAL ADMINISTRATIVE OR COURT LITIGATION INTENDED  
15 TO CHALLENGE OR DISPUTE CLAIMS FOR CONSERVATION EASEMENT TAX  
16 CREDITS CLAIMED PRIOR TO JULY 1, 2008.

17 **SECTION 2. Safety clause.** The general assembly hereby finds,  
18 determines, and declares that this act is necessary for the immediate  
19 preservation of the public peace, health, and safety.