

**UPDATED SUMMARY
HOUSE BILL 14-1001**

Second Regular Session - Sixty-ninth Colorado General Assembly

This summary applies to the reengrossed version of this bill as introduced in the second house. It does not reflect any amendments that may be subsequently adopted. This summary reflects only the main points of the legislation.

~~Beginning in the 2013 income tax year, the bill establishes an income tax credit for a taxpayer that owns real or business personal property that was destroyed by a natural cause as determined by the county assessor of the county in which the property is located. The amount of the credit is an amount equal to the taxpayer's property tax liability for the destroyed property in the property tax year in which the natural cause occurred. A taxpayer is allowed to claim the credit only for the income tax year during which the property was destroyed.~~

~~The bill requires the executive director of the department of revenue (department) to create a certification form to be used by a county assessor to certify to the department, at the request of a taxpayer, that the taxpayer's property was destroyed by a natural cause and that the taxpayer is entitled to an income tax credit. The bill specifies the information that shall be included on the certification form for real or business personal property that was destroyed by a natural cause. The department is required to make the certification form available to taxpayers and county assessors on the department's web site and by any other means deemed necessary by the department.~~

~~Before claiming an income tax credit, the bill requires a taxpayer to request that the county assessor in the county in which the destroyed property is located complete and sign a certification form for the destroyed property that is the basis of the income tax credit. The county assessor is required to complete and sign the certification form upon such request and the taxpayer is required to submit the completed and signed certification form to the department with the taxpayer's income tax return.~~

~~The amount of the credit allowed that exceeds the taxpayer's income taxes due is refunded to the taxpayer.~~

~~For property tax years commencing on or after January 1, 2013, the bill makes any real or business personal property listed on a single schedule that was destroyed by a natural cause as determined by the county assessor in the county in which the property is located subject to a reimbursement from the state. The amount of the reimbursement is an amount equal to the property tax liability applicable to the destroyed property in the property tax year in which the natural cause occurred.~~

~~Beginning with the property tax year commencing January 1, 2014, the assessor of each county with property destroyed by a natural cause during the year is required to 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 bill requires the report to include specified information.~~

~~Within 30 calendar days of receiving a report from the county assessor, the county~~

treasurer of the same county is required to verify the total amount of the property tax in the county that is eligible for reimbursement. After verifying the total amount of property tax in the county that is eligible to be reimbursed, the county treasurer is required to 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.

After receiving a report from a county treasurer, and subject to appropriation by the general assembly, the state treasurer is required to 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 for the applicable property tax year.

Depending on the date by which the county assessor reported destroyed property to the county treasurer, the bill requires the county treasurer to either apply a credit to the tax bill of the destroyed property for that year in the amount of the expected reimbursement or 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 is required to issue a reimbursement to the taxpayer's last recorded mailing address.

The bill requires the finance committees of the house of representatives and the senate, or any successor committees, to review the provisions that allow the property tax reimbursements and make recommendations regarding whether the provisions should be continued, repealed, or continued with modifications.

Italicized words indicate new material added to the original summary; dashes through words indicate deletions from the original summary.
Prepared by the Office of Legislative Legal Services.