

2008 PROPERTY TAX LEGISLATION

Senate Bills

SB 08-041

Concerning the ownership of minerals beneath land acquired by governmental entities and, in connection therewith, clarifying that a governmental entity may acquire interests in such minerals through condemnation only to the extent required for subsurface support.

Section 3 of the bill creates a new subsection (4) that adds clarifying language that any governmental entity acquiring land for road, highway, or mass transit construction is prohibited from acquiring, through condemnation, interest in oil, natural gas, or other mineral resources except to the extent they are required for subsurface support of the project.

Section 4 of the bill reiterates the clarifying language in subsection (4) concerning subsurface support.

Signed by Governor Ritter: April 25, 2008
Effective Date: August 5, 2008

SB 08-105

Concerning classification of certain trailers.

The bill identifies "multipurpose trailers" as a new vehicle category for registration and taxation purposes. These vehicles are currently registered and taxed, but the new trailer styles and sizes that are being manufactured are not accurately described in current statute. This bill provides clarification on the consistent registration of these trailers.

The bill amends a number of statutory citations. The portion of the bill affecting property taxation is found in Section 1. This section of the bill amends § 42-1-103, C.R.S., by adding a new subsection (60.3), which defines multipurpose trailer as "...a wheeled vehicle, without motive power, that is designed to be drawn by a motor vehicle over the public highways. A "multipurpose trailer" is generally and commonly used for temporary living or sleeping accommodations and transporting property wholly upon its own structure and is registered as a vehicle."

The section also amends the definition of trailer coach found in § 42-1-102(106)(a) by removing the eight foot width provision and the length maximum of forty feet.

Signed by Governor Ritter: April 25, 2008
Effective Date: August 5, 2008

SB 08-158

Concerning the inclusion for urban renewal purposes of unincorporated land within a county that is contiguous to a portion of an urban renewal area located within a municipality.

Section 1 of the bill creates a new section 31-25-112.5, C.R.S., that allows a municipality to include unincorporated land into an urban renewal area, if the land is contiguous to a portion of the urban renewal area located within the municipality, and if inclusion of the unincorporated area is made with the consent of the board of county commissioners, each real property owner, and each holder of a recorded mortgage or deed of trust. A proposed urban renewal plan may include the unincorporated area only if the board of county commissioners does the following:

- Determines that the proposed area is a slum or blighted area;
- Forwards the proposal to the county planning commission to determine its conformance with the county master development plan;
- Finds and determines that each real property owner and holder of a mortgage or deed of trust consents to the inclusion;
- Holds a public hearing and makes findings and a determination to approve inclusion of the unincorporated area;
- Approves the use of tax increment financing in the included area and notifies the assessor.

Signed by Governor Ritter: April 1, 2008
Effective Date: Upon signature

SB 08-170

Concerning an extension of the period during which tax revenues may be allocated to a special fund by a downtown development authority in connection with tax increment financing.

Section 1 of the bill amends § 31-25-807, C.R.S., with the addition of a new subsection

(IV). This subsection authorizes a municipality to extend the period that tax increment financing revenue is collected by a downtown development authority. A municipality may pass an ordinance at anytime within the last 10 years of the initial 30-year period established by the downtown development authority to extend the life of the authority 20 years, resulting in a total life of 50 years.

Under the provisions of the bill:

- In year one of the extension, the initial base year value is advanced forward by 10 years, eliminating from future increments any growth value that occurred in first ten years of the tax increment financing. The advanced base value is used for calculating the base increment splits during the first 10 years of the extension.
- For each of the final 10 years of the extension, the base year is advanced forward by one additional year for each year of the extension.
- During each year of the 20-year extension, 50 percent of the tax increment financing revenue from each taxing entity's mill levy, or some greater percentage agreed upon by the authority and the entity, shall be distributed to the special fund of the municipality, and the remaining portion shall go to the funds of the respective entities.
- No later than August 1 of each year, the municipality shall certify to the assessor the distribution percentages attributable to the special fund of the municipality from the mill levies of each taxing entity.
- When certifying values to a taxing entity, the assessor shall apply the appropriate distribution percentage to the increment value and certify only that percentage of increment to the entity.

Section 2 of the bill creates a new subsection 31-25-807(3)(f), C.R.S., that authorizes the Property Tax Administrator to develop and publish implementation procedures for this new provision.

Signed by Governor Ritter: May 21, 2008
Effective Date: August 5, 2008

House Bills

HB 08-1008

Concerning a requirement that notice be provided in connection with the filing of a petition for municipal incorporation.

This bill requires that any petition for municipal incorporation of a geographic area that contains less than two thousand five hundred (2,500) registered electors be sent by mail to each property owner in the area. The contact records for said property owners must be obtained from the county assessor's office and each notice must include the name, address, and telephone number of the contact person who is able to provide information on the petition to the public. The petitioner bears the cost of mailing the required notice.

Section 1 of this bill amends § 31-2-101, C.R.S., with the addition of a new subsection (2.5). This subsection adds the requirements for the notice of filing of the petition to be sent by first-class mail to each real property owner whenever the number of registered electors within the area that is the subject of the petition is less than two thousand five hundred persons. The address shown in the records of the assessor is used for mailing the petitions. The cost of mailing the notice is borne by the petitioners. Also, the notice of filing sent to the property owners will include the name, address, and telephone number of a contact person who is able to provide information on the petition to the public, the case number of the civil action concerning the petition, and the district court in which the petition is filed. Should the property owner like to obtain a copy of the petition, the property owner shall submit to the contact person a request for a copy of the petition along with the payment of a fee.

Signed by Governor Ritter: March 17, 2008
Effective Date: September 1, 2008

HB 08-1059

Concerning the timing of property tax revenue distributions by a county treasurer to a local governmental entity.

This bill allows the county treasurers to distribute property tax revenue on a quarterly or annual basis to local governments (taxing entities) when that revenue is below certain monthly thresholds. Normally, the county treasurer distributes property tax revenue to each entity monthly. According to the

Colorado County Treasurers' Association, the cost of distributing a check with revenue due to a taxing entity is around \$7 for each entity.

Section 1 of this bill amends § 39-10-107(1)(a), C.R.S., with the creation of two new subsections (I) and (II).

This bill gives the county treasurers two options:

- If the revenue to be distributed to a taxing entity for the month is less than \$100, the treasurer may distribute the funds quarterly,
- If the revenue to be distributed to a taxing entity for the month is less than \$50 a month, the treasurer may distribute the funds annually.

Signed by Governor Ritter: March 6, 2008
Effective Date: August 5, 2008

HB 08-1225
Concerning an increase in the property tax exemption for business personal property.

Under current law, business personal property listed on a single personal property schedule is exempt from property taxes if the actual value of the personal property is \$2,500 or less. The bill raises the exemption incrementally over a period of years.

Section 1 of the bill amends § 39-3-119.5, C.R.S., by deleting the "two thousand five hundred dollars" reference and adds "less than or equal to the amount set forth in subsection (2) of this section."

The bill adds a new subsection (2) that establishes the personal property actual value exemptions up to and including the following amounts:

- Two thousand five hundred dollars (\$2,500) for property tax years commencing prior to January 1, 2009.
- Four thousand dollars (\$4,000) for property tax years commencing on January 1 2009 and January 1, 2010.
- Five thousand five hundred dollars (\$5,500) for property tax years commencing on January 1, 2011 and January 1, 2012.
- Seven thousand dollars (\$7,000) for property tax years commencing on January 1, 2013 and January 1, 2014.

Beginning with the property tax year commencing on January 1, 2015, the amount of the exemption shall be adjusted biennially to account for inflation since the amount of the exemption last changed. On or before November 1, 2014, and each even-numbered year thereafter, the Property Tax Administrator shall calculate the amount of the exemption for the next two-year cycle using inflation based on the Denver-Boulder-Greeley consumer price index for the prior two calendar years as of the date of the calculation. The adjusted exemption shall be rounded upward to the nearest one hundred dollar increment.

Section 2 of the bill amends § 39-5-108, C.R.S. by changing the number of personal property schedules that the assessor must mail or deliver from two copies to one copy.

Section 3 of the bill amends § 39-5-121(1.5)(a), C.R.S. by changing the taxpayer's return date for their objection and protest to being postmarked or physically delivered no later than June 30.

Section 4 amends § 39-5-122(1) and (2), C.R.S. by changing the taxpayer's return date for their objection and protest to being postmarked or physically delivered no later than June 30.

Signed by Governor Ritter: May 20, 2008
Effective Date: August 5, 2008
For property tax purposes, this bill is effective January 1, 2009.

HB 08-1248
Concerning joint tenancy in real property.

The primary purpose of the legislation was to reinstate the four unities of joint tenancy into § 38-31-101, C.R.S. For the purposes of this statute change, the "Doctrine of the Four Unities of Time, Title, Interest, and Possession" means the common law doctrine that a joint tenancy is created by conveyance or devise of real property to two or more persons at the same time of the same title to the same interest with the same right of possession and includes the right of survivorship. At common law, creation of a joint tenancy required these four unities. Prior to the passage of this legislation, Taylor v. Canterbury, 92 P.3d 961 (Colo. 2004) stated that the common law of unities of title was abolished.

Section 1 of the bill amends § 38-31-101, C.R.S., by adding a subsection (1.5)(a) which states that the doctrine of the four unities is continued as part of the law of this state subject to subsections (1), (3), (4), (5), (6), and (7), and adds paragraph (b) to this subsection (1.5) which is intended to clarify, supplement, and limited to their express terms, modify the doctrine of the four unities. Also added is paragraph (1.5)(c) which explains that the doctrine of the four unities means the common law doctrine that a joint tenancy is created by conveyance or devise of real property to two or more persons at the same time of the same title to the same interest with the same right of possession and includes the right of survivorship.

Subsection (5)(a) states that except as provided in §§ 38-35-118 and 38-41-202(4), C.R.S., a joint tenant may sever the joint tenancy between himself or herself and all remaining joint tenants by unilaterally executing and recording an instrument conveying his or her interest in real property to himself or herself as a tenant in common. If there are two or more remaining joint tenants, they shall continue to be joint tenants among themselves. Paragraph (b) of this subsection (5) notes that filing a petition on bankruptcy by a joint tenant does not sever a joint tenancy.

Paragraph (6)(a) states that interests in a joint tenancy may be equal or unequal, which is a variation from the doctrine of the four unities. The presumption is that they are equal and such presumption is conclusive unless the joint tenants have notice of unequal interests. Paragraph (b) of this subsection does not bar claims for equitable relief as among joint tenants, including partition and accounting. Paragraph (c) adds that upon the death of a joint tenant, the deceased joint tenant's interest is terminated and two or more surviving joint tenants continue in proportion to their respective interests at the time the joint tenancy was created.

Paragraph (d) indicates that for purposes of the "Colorado Medical Assistance Act", a joint tenancy shall be deemed to be with equal interests among the joint tenants regardless of the language in the deed or other instrument creating the joint tenancy.

Paragraph (7) states that nothing in this section shall be deemed to abolish any

existing laws concerning other means of severing joint tenancy.

Signed by Governor Ritter: April 25, 2008
Effective Date: Upon signature

HB 08-1260
Concerning the regulation of manufactured homes.

This bill was initiated by the manufactured home task force, made up of individuals from the county assessor's, clerks, treasurers, title and lending offices, the Division of Property Taxation, and representatives from the manufactured home industries in an attempt to solve consumer and county agency problems regarding the movement of manufactured homes with previously purged titles.

Within the bill, five new forms are created.

- Certificate of Permanent Location, which is used when the manufactured home is permanently affixed to the ground
- Certificate of Removal, which is used when the manufactured home is removed from its permanent location
- Certificate of Destruction, which is used when a manufactured home is destroyed, dismantled, sold, or otherwise disposed of as salvage
- Affidavit of Real Property, which is used to show proof that a manufactured home and the land have been permanently affixed prior to July 1, 2008
- Manufactured Home Transfer Declaration, which contains information to assist the county assessor in determining the value of real property

Section 2 of the bill concerning definitions, amends subsections (6) and (9) of § 38-29-102, C.R.S., and adds subsections (1.5) and (13), which are definitions as used in this article. Subsection (1.5) defines "clerk and recorder" as the clerk and recorder of any county or city and county in Colorado. Subsection (13) defines "Verification of Application Form" as the form generated by an authorized agent upon receipt of a properly completed application for title.

Subsection (6) has been changed to define a "manufactured home" as a preconstructed building unit or combination of preconstructed building units that are constructed in

compliance with the federal manufactured home construction safety standard, as defined in § 24-32-3302(13), C.R.S., and also a “mobile home” as defined in § 24-32-3302(24), C.R.S. Subsection (9) also adds that “mortgage” includes mortgages, deeds of trust, and other liens on real property.

Section 4 of the bill amends § 38-29-112(1.5), C.R.S., by adding a requirement that a Certificate of Permanent Location is needed to permanently affix a manufactured home to the land by the purchaser or transferee of a manufactured home. It provides that the manufactured home shall become real property upon recording the Certificate of Permanent Location.

Section 5 of the bill amends § 38-29-114(2), C.R.S., by adding a requirement that the purchaser of a new manufactured home must file a Certificate of Permanent Location along with the Manufacturer’s Certificate or Statement of Origin, or its equivalent, with the county clerk and recorder of the county or city and county in which the manufactured home is permanently affixed to the ground.

Section 6 of the bill amends § 38-29-117(6), C.R.S., to state that if person acquires a manufactured home with a Certificate of Title issued by another state and permanently affixes it to the ground, the person shall not be required to procure a new Certificate of Title if the following documents are filed for recording with the county clerk and recorder: a Certificate of Permanent Location, and the Certificate of Title or the Manufacturer’s Certificate or Statement of Origin, or its equivalent. Upon the filing of these documents, the permanently affixed manufactured home shall become real property.

Section 7 of the bill amends § 38-29-118(1), C.R.S., to require that upon destroying a manufactured home for which a current Certificate of Title has been issued, the owner, shall file a Certificate of Destruction with the clerk and recorder. This is in addition to an existing requirement that the owner surrender the Certificate of Title with a request that it be cancelled.

Subsection (2) of this section is amended to require that when a manufactured home with a Certificate of Title is permanently affixed to the land, the owner shall surrender the certificate and file for recording a request to purge the title and a Certificate of Permanent Location. Upon the filing for recording of the Certificate of Permanent Location, the home shall become real property.

Section 8 of the bill amends § 38-29-119(2), C.R.S., by designating that the bond is for an amount equal to twice the actual value of the manufactured home according to the assessor’s records as of the time application for the certificate is made.

Section 9 adds Part 2 to article 29 of title 38 concerning filing and recording of documents related to a manufactured home. This section adds new statutes §§ 38-29-201 through 38-29-209, and 39-14-103, C.R.S. Each is summarized below:

Section 38-29-201, C.R.S., concerns the verification of the application for a Certificate of Title and the supporting materials.

For a new manufactured home, the documents that must be recorded with the county clerk and recorder include:

- The Manufacturers Certificate or Statement of Origin or its equivalent;
- The Bill of Sale;
- The Verification of Application form.

An application for a Certificate of Title for which a bond is furnished, must be accompanied by the following recorded documents:

- A copy of the written declaration required;
- A copy of the bond that was furnished;
- The Verification of Application form.

The documents that must be recorded for all other applications for a Certificate of Title include:

- Copy of the Certificate of Title;
- The Verification Application form.

Section 38-29-202, C.R.S., concerns the Certificate of Permanent Location. If a manufactured home is permanently affixed to the ground so that it is no longer capable of being drawn over the public highways on or

after July 1, 2008, the owner of the manufactured home must file a Certificate of Permanent Location. If the Certificate of Permanent Location accompanies an application for purging a manufactured home title, the certificate must be filed with the county clerk and recorder. If the Certificate of Permanent Location is received with a new manufactured home, the county clerk and recorder will also record a copy of the Bill of Sale and a copy of the Manufacturer's Certificate or Statement of Origin or its equivalent. If a manufactured home has a Certificate of Title from another state, the owner shall file the Certificate of Permanent Location along with the Certificate of Title or Statement of Origin or its equivalent with the clerk and recorder. The county clerk and recorder will destroy the original Manufacturer's Certificate or Statement of Origin or its equivalent. At least one of the owners of the manufactured home as reflected on the Certificate of Title, the Bill of Sale, or the Manufacturer's Certificate or Statement of Origin or equivalent must be an owner of record of the real property to which the home is to be affixed. An exception is a manufactured home that occupies real property subject to a long-term lease that has an express term of at least ten years.

The form for the Certificate of Permanent Location established by the Property Tax Administrator will include the following:

- The name and mailing address of the owner of the manufactured home;
- The name and mailing address of any mortgage holder for the manufactured home or the land to which it is affixed;
- The identification number of the manufactured home and the certificate of title number, if applicable;
- The manufacturer or make and year of the manufactured home;
- Attached to the Certificate of Permanent Location, a Certificate of Taxes Due or an Authentication of Paid Ad Valorem Taxes issued by the county treasurer;
- The legal description of the real property to which the manufactured home is permanently affixed;
- The name or the legal owner or owners of the land upon which the home is affixed;
- The county in which the Certificate of Permanent Location is filed;

- Verification that the manufactured home is on a permanent foundation in accordance with any applicable county or city and county codes or requirements;
- Consent to the permanent location of the manufactured home by all holders of a security interest in the manufactured home;
- An affirmative statement of relinquishment and release of all rights in the manufactured home by all holders of a security interest in the home;
- An affirmative statement of the relinquishment of all rights in the manufactured home by any owner on the Certificate of Title who is not also an owner of the real property to which the home is to be permanently located;
- An affirmative statement that all owners of the real property and the manufactured home consent to the affixation of the manufactured home to the real property and that the manufactured home is owned by the same parties that own the land. This does not apply to any manufactured home that occupies real property subject to a long-term lease that has an express term of at least ten years.

The Certificate of Permanent Location shall be acknowledged and shall contain a declaration that the statements made therein are made under the penalties of perjury in the second degree.

Section 38-29-203, C.R.S., concerns the Certificate of Removal. On or after July 1, 2008, a manufactured home cannot be removed from its permanent location unless the owner of the manufactured home files a Certificate of Removal. If a Certificate of Permanent Location has not previously been filed and recorded, the owner must also file an Affidavit of Real Property along with the Certificate of Removal. The Certificate of Removal along with the Affidavit of Real Property and an application for a new Certificate of Title must be recorded with the county clerk and recorder. The Property Tax Administrator establishes the Certificate of Removal form.

This form must include the following:

- Name and mailing address of the manufactured home owner;
- Name and mailing address of any mortgage holder or lien against the real

property on which the manufactured home was affixed;

- Identification number of the manufactured home;
- Manufacturer or make and year of the manufactured home;
- Attached to the certificate of removal, a certification of taxes due, or an authentication of paid ad valorem taxes, issued by the county treasurer;
- Legal description of the real property from which the manufactured home was removed;
- Consent of all lien holders and a release by all mortgage holders only to the extent that the mortgage or lien applies to the manufactured home, to allow the removal of the manufactured home from its permanent location.

Consent of a mortgage or other lien holder on the certificate of removal shall serve as a full release of any interest against the manufactured home once it is removed from the real property. The consent on the Certificate of Removal shall not release any interest of the mortgage or lien holder against the remaining real property.

If consent is not given, the owner may file a corporate surety bond with the clerk of the district court of the county. The bond will be equal to one and one-half times the amount of the mortgage or lien and approved by a judge of the district court where the bond is filed. The bond shall be conditioned that, if the mortgagee or lien holder shall be adjudged to be entitled to recover on the mortgage or lien, the principal or his sureties shall pay the mortgagee or lien holder the amount of the indebtedness together with any interest, and costs the mortgagee or lien holder would be entitled to recover upon foreclosure of the mortgage or lien. Upon filing the bond, the mortgage or lien against the property is released in full, and the real property described in the bond shall be released from the mortgage or lien and from any action brought to foreclose the mortgage or lien, and the bond is substituted. The clerk of the district court shall issue a Certificate of Release that shall be recorded with the county clerk and recorder, and the Certificate of Release shall show that the property has been released from the mortgage or lien and from any action brought to foreclose the mortgage or lien.

The Certificate of Removal shall be acknowledged and shall contain a declaration that the statements made therein are made under the penalties of perjury in the second degree.

Section 38-29-204, C.R.S., concerns the Certificate of Destruction. If a manufactured home is destroyed, dismantled, or sold as salvage on or after July 1, 2008, the manufactured home owner must file a Certificate of Destruction. If the Certificate of Destruction accompanies an application to cancel a Certificate of Title, the certificate must be recorded with the county clerk and recorder. If an application to cancel a Certificate of Title is not required because no Certificate of Title was issued, or because the title has been purged, the Certificate of Destruction must be recorded with the county clerk and recorder.

The Property Tax Administrator establishes the form of the Certificate of Destruction. The form must include the following:

- Name and mailing address of the manufactured home owner;
- Name and mailing address of any mortgage holder or lien against the real property on which the manufactured home was affixed;
- Identification number of the manufactured home;
- Manufacturer or make and year of the manufactured home;
- Attached to the Certificate of Destruction, a Certification of Taxes Due, or an Authentication of Paid Ad Valorem Taxes, issued by the county treasurer;
- Legal description of the real property from which the manufactured home was affixed prior to destruction;
- A book and page or reception number reference for a Certificate of Permanent Location that was previously filed related to the manufactured home;
- Consent of all lien holders to the destruction of the manufactured home, or proof that a request for such consent was sent by certified mail to such lien holders at their last-known address and a notarized declaration, signed under penalty of perjury, that no response was

received within thirty days of the date of the mailing of the notice;

- Release of all holders of a mortgage to the extent that the mortgage applies to the manufactured home, or proof that a request for such consent was sent by certified mail to such mortgage holders at their last known address and a notarized declaration, signed under penalty of perjury, that no response was received within thirty days of the date of the mailing of the notice;
- Verification that the manufactured home has been destroyed, dismantled, or sold or otherwise disposed of as salvage.

The Certificate of Destruction shall be acknowledged and must contain a declaration that the statements made therein are made under the penalties of perjury in the second degree.

Any owner who fails to file a properly completed Certificate of Destruction when required shall be responsible for all actual damages sustained by any affected party related to the manufactured home being destroyed, dismantled, or sold as salvage.

Section 38-29-205, C.R.S., states that if an authorized agent who receives a document for filing and recording is not the county clerk and recorder, the authorized agent shall forward such document to the county clerk and recorder to file and record the document.

Section 38-29-206, C.R.S., states that any document filed and recorded by a clerk and recorder shall be indexed in both the grantor and grantee indexes under the name of the owner or owners of the manufactured home and the owners of the land to which the manufactured home was affixed at the time the document is required to be filed and recorded.

Section 38-29-207, C.R.S., states that the clerk and recorder shall forward a copy of a Certificate of Permanent Location, Certificate of Removal, and Certificate of Destruction to the county assessor.

Section 38-29-208, C.R.S., concerns the Affidavit of Real Property. Any person can prove that a manufactured home and the land upon which it has been permanently affixed is real property by providing an Affidavit of Real Property.

The affidavit must include:

- An acknowledged statement by all owners that the manufactured home and real property to which it is permanently affixed became real property pursuant to this article;
- A statement from the county assessor that the manufactured home has been valued together with the land upon which it is affixed;
- A statement from the county treasurer that taxes have been paid on the manufactured home and the land upon which it is affixed in the same manner as other real property;
- Proof that a search of the Department of Revenue Director's records was conducted and that no Certificate of Title was found for the manufactured home;
- Verification that the manufactured home is on a permanent foundation in accordance with any applicable county codes or requirements.

Section 38-29-209, C.R.S., states that in all instances in which a document is to be filed and recorded with the county clerk and recorder, fees shall be paid for each document so filed and recorded as prescribed by law for the filing of like instruments. The recording fees are in addition to any fees that are required pursuant to § 38-29-138, C.R.S. All fees paid pursuant to this section shall be kept and retained by the county clerk and recorder to defray the cost.

Section 10 of the bill amends § 39-2-109(1), C.R.S., by the addition of a new paragraph which adds the responsibility to establish the required aforementioned forms to the duties of the Property Tax Administrator.

Section 11 of the bill amends §§ 39-14-101(1) and (3), C.R.S., and further adds new subsections (1.5), (4), and (5), to provide for the following definitions:

- "Authorized agent" has the same meaning as set forth in § 38-29-102(1), C.R.S.
- "Conveyance" means any transfer of real property interest for some consideration in money or money's worth.
- "Declaration" contains information to assist the assessor in determining the

value of real property and manufactured homes.

- "Manufactured home" has the same meaning as set forth in § 38-29-102(6), C.R.S.
- "Manufactured Home Title Application" means an application for a new certificate of title in accordance with the provisions of part 1 of article 29 of title 38, C.R.S., that is made after a sale or transfer described in §§ 38-29-112(1) or 38-29-114(1), C.R.S.
- "Verification of Application form" has the same meaning as set forth in § 38-29-102(13), C.R.S.

Section 12 of the bill adds a new section, § 39-14-103, C.R.S., which establishes a declaration for manufactured homes. On or after July 1, 2008, any manufactured home title application that is submitted to an authorized agent shall be accompanied by a declaration prescribed by the Property Tax Administrator. The declaration shall be completed and signed by the purchaser or transferee.

If the declaration does not accompany a manufactured home title application at the time such application is presented to the authorized agent, the authorized agent shall notify the county assessor.

The county assessor shall send written notice to the purchaser or transferee specified in the manufactured home title application that the purchaser or transferee shall provide the declaration to the county assessor within thirty days after the date the notice was mailed. If the purchaser or transferee fails to provide the declaration, the county assessor, within thirty days after the date the notice was mailed, may impose a penalty of twenty-five dollars or a penalty equal to twenty-five one-thousandths of one percent of the sale price of the manufactured home, whichever amount is greater. In each subsequent year in which the purchaser or transferee fails to file the declaration, the assessor may impose the penalty unless the manufactured home has been subsequently conveyed. Any penalty imposed shall be a fee of the office of the county assessor.

Any unpaid penalties that were imposed shall be certified to the county treasurer by January 1 of each year and shall be included in the statement sent to the purchaser or transferee for property taxes levied against the manufactured home.

The authorized agent shall not record or file any declaration. However, the authorized agent shall enter upon such declaration the date of recordation and reception number of the Verification of Application form related to the manufactured home title application. The county clerk and recorder shall transmit any declaration to the county assessor. The county assessor will make any declaration available for inspection by any taxpayer who was specified in the manufactured home title application or who filed such declaration, the person conducting any valuation for assessment study and his or her employees, and the Property Tax Administrator and his or her employees.

No declaration made pursuant to this section that accompanies a manufactured home title application or is filed separately shall be deemed to provide constructive notice of information contained therein for the purposes of article 35 of title 38, C.R.S.

Each county assessor shall maintain a data bank consisting of information that has been derived from the declarations filed. Such information shall be used to properly adjust sales for sales ratio analysis and for determining the actual value of the manufactured home transferred and the actual value of other manufactured homes, as well as other purposes deemed appropriate by the county assessor.

A manufactured home that has become real property in accordance with the provisions of Part 1 of article 29 of title 38 shall be subject to the provisions of the Real Property Transfer Declaration.

Signed by Governor Ritter: April 14, 2008
Effective Date: July 1, 2008

HB 08- 1275
Concerning certain organizations that incorrectly filed the annual report required to maintain property tax-exempt status.

Religious and charitable organizations, and private schools, are required to file an annual report to maintain property tax-exempt status. Organizations that file this report on time, but

with incomplete or inaccurate information may lose tax-exempt status. The bill allows the State Board of Equalization to reinstate an organization's tax-exempt status and forgive the balance of property taxes owed.

Section 1 of the bill amends part 1 of article 3, title 39, with the addition of a new section 39-3-137, C.R.S., that allows the forgiveness of taxes owed on real or personal property under the following conditions:

- The organization is a religious, charitable or educational organization (private school) exempt from general taxes on real or personal property in accordance with §§ 39-3-106, 113, and 116, C.R.S;
- The organization filed an application and was granted exemption from general taxation of real and personal property;
- After receiving an exemption but prior to the effective date of this section, the organization filed an annual report that was deemed incomplete or incorrect ; and
- As a result of the incomplete or incorrect annual report, the organization was denied tax exempt status for one or more property tax years and received a tax bill.

Any waiver of the balance of taxes owed is contingent upon the reestablishment of the organization's tax exempt status by the State Board of Equalization.

The State Board of Equalization may restore tax exempt status that meets the requirements of the above conditions.

Section 2 of the bill amends § 39-9-109, C.R.S., to proclaim that the State Board of Equalization can waive the July 1 deadline for tax exempt applications if the organization's annual report is incomplete or incorrect.

Signed by Governor Ritter: April 14, 2008
Effective Date: August 5, 2008

HB 08-1349
Concerning the modification of procedures for the collection of property taxes in connection with tax increment financing on the part of certain authorities established by municipalities.

Under current law, when the assessed value of a county is adjusted down to reflect abatements or refunds of property taxes, the county treasurer recovers any excess tax payments from local jurisdictions by

offsetting, or withholding future allocations on a pro rata basis. This bill allows county treasurers to offset future property tax payments to urban renewal authorities and downtown development authorities on a pro rata basis. It requires such authorities to make adequate provision for the return of overpayments and allows them to establish a reserve fund for that purpose or enter into an agreement to have the municipality in which the authority is established repay the money. If insufficient moneys are provided, the county treasurer may offset allocations to the municipality that established the authority. The bill also specifies that any money required to be repaid cannot be pledged by the authority to repay bonds.

Signed by Governor Ritter: May 27, 2008
Effective Date: August 5, 2008

HB 08-1368
Concerning the taxation of property used to produce alternating current electricity from a renewable energy source.

The bill requires that property used to produce two megawatts or less of electricity using a renewable energy source be valued by county assessors using the same procedures that are used for state assessed systems. This bill only impacts renewable energy systems owned and used by commercial or industrial properties, not residential properties.

Section 1 of the bill amends part 1 of article 5, title 30 by the creation of a new section 39-5-104.7, C.R.S. This section establishes valuation and reporting requirements.

- All real and personal property used to produce two megawatts or less of alternating current electricity from a renewable energy source is locally assessed property.
- The Property Tax Administrator will develop procedures for the valuation of locally assessed renewable energy property.
- The taxpayer is responsible for notifying the county assessor when such systems are installed, unless the taxpayer obtains a building permit for the installation.

Section 2 of the bill amends § 39-4-101(4), C.R.S., by adding language that further defines that a wind energy facility is a facility

that produces energy in excess of two megawatts.

Section 3 of the bill amends §§ 39-4-102(1)(e) and (1.5)(b)(V), C.R.S., by adding new subsections that define the valuation methodology for such systems.

Section 4 of the bill adds a new section, § 39-26-724, C.R.S., that defines the components used to produce alternating current electricity from a renewable energy source for sales and use taxes.

Section 5 of the bill repeals and reenacts § 29-2-105, C.R.S. This section of the bill relocates in statute the current sales and use tax exemption on purchases of components used in renewable energy systems and provides clarifying language regarding what components are tax exempt. This section also gives local governments the option to exempt components used in renewable energy systems from their sales and use tax.

Section 6 of the bill repeals and reenacts § 29-2-106, C.R.S. This section concerns the collection, administration, and enforcement of sales tax of a home rule municipality.

Section 7 of the bill amends § 29-2-109, C.R.S. The use tax ordinance, resolution, or proposal of any town, city, or county may recite that the use tax shall not apply to the storage and use of components used in the production of alternating current electricity from a renewable energy source, including but not limited to wind, as exempted from the state use tax.

Section 8 of the bill amends § 39-26-709, C.R.S., by removing subparagraph (III) concerning the purchase of machinery and machine tools used in the production of electricity from a renewable energy source.

Signed by Governor Ritter: May 27, 2008
Effective Date: Upon signature
Effective for assessment year 2008

HB 08- 1395

Concerning property tax exemption for certain property leased by governmental entities that use the property for governmental purposes.

Under current law, property that is rented or leased to some local governments, such as school districts and municipalities, is exempt from property taxation. This bill extends a

property tax exemption to any real property that is leased or rented by state and local governments for at least a one-year term.

Section 1 of the bill amends § 39-3-124, C.R.S., with the addition of a new subsection (1)(b) that states on and after January 1, 2009, the part of real property that is used by the state, a political subdivision, or a state-supported institution of higher education is exempt from the levy of a property tax when the entity has a lease or rental agreement for at least a one-year term, with or without an option to purchase the real property. The entity must file (recording with the clerk and recorder is not required) a copy of the lease or rental agreement with the county assessor's office. In the event the lease or rental agreement is terminated prior to the term stated in such, the entity must notify the county assessor.

State-supported institution of higher education includes, but is not limited to, all postsecondary institutions, including junior colleges and community colleges, extension programs of the state-supported universities and colleges, local district colleges, area vocational schools, and the institutions governed by the Regents of the University of Colorado.

Signed by Governor Ritter: May 29, 2008
Effective Date: August 5, 2008
The bill applies to existing and new lease agreements entered into or renewed on or after January 1, 2009.

HB 08-1412

Concerning the revision of statutes in the Colorado Revised Statutes, as amended, and, in connection therewith, amending or repealing obsolete, inconsistent, and conflicting provisions of law and clarifying the language to reflect the legislative intent of the law.

This bill is often referred to as the Revisor's Bill, making only technical changes in the statutes, and is recommended by the Committee on Legal Services.

Section 129 of the bill amends § 39-1-102(14.3), C.R.S. which contains the definition of "residential improvement." by removing a previously repealed cite § 38-29-102(8), C.R.S.

Signed by Governor Ritter: June 2, 2008
Effective Date: August 5, 2008