

**REVENUE: Revenue Statement Issued**

**FISCAL: No Fiscal Impact**

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**Action:** Do pass and be placed on the consent calendar  
**Vote:** 8-0-1  
**Yeas:** Berger, Bruun, Butler, Olson, Read, Rosenbaum, Witt, Barnhart  
**Nays:**  
**Exc.:** Gelser  
**Prepared By:** Mary Ayala, Economist  
**Meeting Dates:** 1/31, 2/23

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**WHAT THE BILL DOES:** Allows counties to pay contested property tax refunds prior to conclusion of property tax appeals. Provides for collection of additional taxes or payment of additional refund upon resolution of property tax appeals.

Applies to refunds related to property tax years beginning on or after July 1, 2007 and to appeals pending as of the effective date of this Act.

Takes effect 91 days after sine die.

**ISSUES DISCUSSED:** Department of Revenue highlighted that current law does not enable a refund to be paid until final resolution of a property tax case that is under appeal. County Assessors reported that the ability to issue refunds on certain settled portions of the appeal, prior to a final resolution could significantly lower their counties' interest payments because some appeals take several years to resolve. One Assessor referred to several examples of the interest that the county paid. One appeal resulted in an interest payment that was over \$1 million.

**EFFECT OF COMMITTEE AMENDMENTS:** N/A

**BACKGROUND:** Cases that are under appeal may take several months or years to resolve. Some portions of the tax dispute may be resolved early during the appeals process.

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*This summary has not been adopted or officially endorsed by action of the committee.*