



Arapahoe County

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Board Summary Report

File #: 25-217

Agenda Date: 4/22/2025

Agenda #:

To: Board of County Commissioners

Through: Michael Westerberg, Treasurer

Prepared By:

Kim Williams, Chief Deputy Treasurer, Treasurer's Office; and Ben Swartzendruber, Senior Assistant County Attorney

Subject:

Cancellation of miscellaneous property taxes

Purpose and Request:

The purpose of this Board Summary Report is to request a resolution cancelling uncollectible and/or erroneous property taxes. Pursuant to C.R.S. § 39-10-114(1), "when taxes have been levied erroneously or illegally...the treasurer shall report the amount thereof to the board of county commissioners, which shall proceed to abate such taxes." And pursuant to C.R.S. § 39-10-114(2), when taxes on certain personal property, including mobile homes, "are determined to be uncollectible after a period of one year after the date of their becoming delinquent [they] may be cancelled by the board of county commissioners."

Background and Discussion: This issue was discussed with the Board in study session on March 25, 2025, and the Board instructed the Treasurer's Office to move this item forward to consent agenda for approval. At the study session, the Board also determined that going forward, when property taxes such as these will be cancelled or have been levied erroneously or illegally, unless there are certain unusual or anomalous items, the Treasurer should schedule the cancellation(s) directly to the Board's consent agenda without first bringing the matter to the Board through study session.

Alternatives: With regard to the erroneously levied real property taxes, there is no alternative, as those taxes must be abated pursuant to statute. With regard to the remaining taxes deemed uncollectible, if no action is taken, the delinquent taxes will continue to be included on the Treasurer's delinquent tax roll and interest will continue to accrue when neither the tax nor the interest will ever be paid. As long as they remain on the delinquent tax roll, the Treasurer's Office must also continue sending out Delinquent Statements, having them returned as undeliverable, and/or causing confusion and creating phone calls on taxes that cannot be collected.

Fiscal Impact: Because the delinquent personal property taxes cannot be collected, there is no real fiscal impact to the County or other taxing entities at this time. The total tax amount of personal property taxes for items currently identified as uncollectible for tax years 1987 through 2022 that the Treasurer's Office is requesting be cancelled is \$728,718.55, which would have been dispersed to various taxing authorities. Of this total, Arapahoe County would have received approximately \$34,771.11. The total amount of real property taxes being cancelled as erroneously levied is \$4,538.67.

Alignment with Strategic Plan:

- ☒ Be fiscally sustainable
- ☒ Provide essential and mandated service
- ☒ Be community focused

Concurrence: The County Attorney's Office concurs with this request.

Resolution: A copy of the draft resolution is attached.