

EASEMENT DONATION AUDITS IN COLORADO

Dear Jessica,

Thank you for addressing "Easement donation audits in Colorado."

I received this question -

Wonder what Paul Snyder the arrogant atty. from the San Isabel Foundation in Westcliffe is telling folks these days...

-from one whose well-researched cautionings about CE's were not only un-heeded, but viciously attack by some who initiated the CCALT (downfall of Colorado Cattlemen's) - one who's now a Udall aid, and eco-activists galore.

Most CE's and land trusts are well-funded by eco-activist individuals who, are oft times employed by groups including The Nature Conservancy (which is heavily financed by federal government).

Hand in hand they work with elected officials to get monument, river, transmission lines, non-navigable waters, buffer zone, ESA, cap and trade, park, feral horse, corridor, green hubs, wolf and wildland et al designations.

Sometimes they even hire Islamic Jihadists (notes on cut fences) to execute eco-terrorist activities on resource providers property.

Why? To make a ton of money (TNC has over 3 billion in assets.) while gaining control of America's land and water, and eventually shut down domestic resource production?

Here's how it works: Elected officials rule we pay "income tax." Then they take our income and give it to groups like TNC. Those groups kick back (through campaign contributions) some of that money...to the guy or gal who gifted it to them initially.

It's an ugly little circle of love that needs to be stopped.

If you think NPR is a partisan recipient of grant money, you should take a serious look (investigate) at ways other recipients use grant monies.

The federal government should get out of the grant business, launch a full audit, and demand un-used grant monies be returned to taxpayers.

Regards CE's: A person may keep their land in resource production and out of row homes, without the onerous, crippling conditions of the feds/TNC/IRS and the word "perpetuity."

There are plenty of land usage models available for one to tailor to their individual needs.

As pertains to federal government's un-constitutional overreaching on land and water takings, lawmakers should not engage in any law/legislation/regulation as pertains to public (federal) property, until they have demanded and received, and a bi-partisan review board has verified, the exact acres of land, acre feet water, and standing structures federal government considers it owns.

I love the practice of Good Neighbor Law: "To use your own so as not to harm (injure) another."

And wonder, what does the federal government own?

Thank you,
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Preliminary audit will scrutinize easement tax collections

By Jessica Fender

The Denver Post

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Some landowners who've set aside property in conservation easements have waited for years to discover whether they'll have to pay more than \$120 million in collective back taxes the state says they owe.

And they may have to wait another five years or more — potentially accruing interest and penalties all the while — thanks to a lack of resources at the state Department of Revenue and the complicated nature of the tax deals.

Authorities believe land appraisals were inflated in as many as 500 of these easements, where landowners get state tax breaks equal to the value of their donated property for promising to leave it undeveloped.

A state lawmaker Monday called for an audit of department's collection process, pointing to the lag time and problems she says robs landowners and tax credit buyers of due process.

"These people live in limbo," said state Rep. Marsha Looper, R-Calhan. "There needs to be a fair, efficient and timely process."

Looper said she'd like to see notices sent by certified mail, so landowners don't miss their opportunities to appeal, for example.

State auditors Monday got the green light for a preliminary review of the easement process. If the legislative audit committee later approves a full audit, it will be the first state review of the controversial, decade-old tax-credit program.

Lawmakers in the 2010 legislative session added \$1.1 million to the Revenue Department's budget to hire staff and contract third-party appraisers to resolve the backlog. That money became available at the start of July, department spokesman Mark Couch said.

His agency welcomes an audit, he said.

"We hope it will help resolve concerns about these tax credits," Couch said. "These are very complicated tax returns. They take a lot of review when they go through the process of being disputed and protested. We didn't have the funding until the beginning of the fiscal year."

To receive an easement, a landowner gets a qualifying piece of property appraised, donates the land and gets a dollar-for-dollar break on his or her state taxes in addition to federal write-offs. Many ranchers and farmers who avail themselves of the program don't owe enough in state taxes to use the credits themselves, so they sell them to more wealthy taxpayers.

An unknown number of landowners and tax-credit buyers around 2005 began getting notices from the Revenue Department advising them they had claimed a larger break than they were entitled to and questioning the appraised value of the land that determines the size of the credit.

Of 2,847 conservation easements the state has considered between 2000 and 2008, about 500 have been denied or are in question, Revenue Department figures show.

Letter recipients are given a month to appeal the decision. Many do.

And that's where the bottleneck starts, according to J.D. Wright, president of Landowners United. The group advocates for about 90 landowners entangled in easement disputes.

He said some property owners have erroneously had wages garnisheed. Others live in uncertainty about their financial futures.

The largest amount he's seen the state try to collect is \$280,000 in back taxes plus fees and penalties.

He, too, welcomes a potential audit.

"It won't hurt," Wright said. "Any time you can shine light on this mess, it can't hurt."

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Read more: [Preliminary audit will scrutinize easement tax collections - The Denver Post](http://www.denverpost.com/politics/ci_16560363#ixzz14nu99kqL)
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