



## Conservation Easement Tax Credit Certificate Application Guidance

### **General Process**

#### **Step 1. Submission of the Application:**

- Before you submit your application, make sure you:
  1. Obtain legal and tax advice from qualified professionals with conservation easement experience.
  2. Work with a Certified Organization. <http://www.dora.state.co.us/real-estate/conservation/applicationstatus.htm>
  3. Obtain a qualified appraisal from a qualified appraiser. Conservation easement appraisers must be Licensed Certified General Appraisers and comply with specific conservation easement related education requirements beginning on July 1, 2011.
- Check the Division of Real Estate's (Division's) website for information concerning the available balance of tax credits. <http://www.dora.state.co.us/real-estate/conservation/taxcredit.htm>

Note: the website provides general information on the available tax credit balance. Due to a delay in the issuance and reporting of the Tax Credit Certificates, the actual available balance may differ.

- Complete the Tax Credit Certificate Application. <http://www.dora.state.co.us/real-estate/conservation/documents/TCC%20application%2012-8-2010.pdf>
  1. Read, understand and initial all disclosures on page 2 of the application.
  2. Follow all instructions on page 3 of the application.
  3. Submit the following to the Division of Real Estate:
    - Tax Credit Application
    - \$250 fee paid to the Division of Real Estate
    - A copy of a recorded deed of conservation easement (see [Rule C-1](#) for alternative documentation)
    - A copy of the fully executed and signed *Affidavit for Conservation Easement Appraisals* completed and signed by the appraiser.

#### **Step 2. Application Review:**

- Applications are reviewed and processed by the Division in the order deemed received (see [Rule C-1](#)).
- After the application is received, the Division will attempt to call the "primary contact person," or the taxpayer or taxpayer representative if no primary contact person is listed, to confirm the information submitted is correct. The Division routinely verifies information to ensure the accuracy of the Conservation Easement Tax Credit Certificate Program.

1. If the Division is not able to verify information over the phone a letter, confirming receipt of the application, will be mailed to the address listed on the application.
  2. If you do not receive a call or letter from the Division within a week of submitting the application please contact us. The Division may not have received your application.
    - The Division of Real Estate is not responsible for any claims not received.
- **If the application is incomplete or for any other reason is not deemed received, the Division will not process the application.**
    1. In this case, the Division will work with the primary contact person or taxpayer to resolve any issues.
    2. The Division will process applications in the order they are deemed received. If there is a problem with the application that causes it to not be deemed received it may result in the issuance of a Tax Credit Certificate for a later tax year or for the Division not to issue a tax credit certificate if the cap has been reached.

### **Step 3. Reconciliation and Issuance:**

- After the Application is Deemed to be Received the Division will:
  1. Reconcile all received applications on a weekly bases
  2. Assign the application a TCC number (example: TCC-2010-001)
  3. Print and mail the Tax Credit Certificate
  4. Update the available balance on the website
- The Division will mail the Tax Credit Certificate to the address listed on the application.
- Due to an intentional delay in the reconciliation process, please allow three weeks from the time the application is deemed received for your Tax Credit Certificate to be delivered.
- If you do not receive the Tax Credit Certificate within three weeks, please contact the Division.
- Taxpayers claiming a tax credit on their state taxes should use the Tax Credit Certificate Number from the Tax Credit Certificate on all applicable forms submitted to the Department of Revenue.
- Taxpayers do not need to send in the actual Tax Credit Certificate to the Department of Revenue.
- Taxpayers do not need a Tax Credit Certificate or TCC number for any claims carried forward from 2010 or earlier.

### **Tips for Submitting Your Application**

- Send application materials via certified mail, UPS or FedEx
- If you are using a tax credit broker or other qualified professional consider listing them as the primary contact person
- Double check all information and application materials
- Make sure that the application is signed and all disclosures are initialed
- Read and understand all rules and regulations from both the Division of Real Estate and the Department of Revenue.
- Read [Rule C-1](#) in its entirety for further guidance on the Tax Credit Certificate.

### **Links to Rules and Regulations:**

Division of Real Estate Tax Credit Cap Rules: <http://www.sos.state.co.us/CCR>

Department of Revenue Rules and Regulations: [www.colorado.gov/revenue](http://www.colorado.gov/revenue)