

**Colorado Revenue Department**  
**Issues HB-1265 Tax Refunds to Businesses**

June 30--The Colorado Department of Revenue (DOR) has informed CACI that it has begun issuing refunds to businesses that had been held up by the DOR because of the DOR's interpretation over the amount of time allowed to issue refunds.

Initiated by the CACI Tax Council, HB-1265 reaffirmed that businesses have three years to file a refund claim for an overpayment of sales taxes; the Colorado Department of Revenue was trying to advance a 60-day limit.

Earlier this year, CACI members made their concerns known to the DOR that taxpayers should continue to be allowed three years to file a sales-tax refund claim. This issue was raised based on inconsistencies being applied by the DOR in determining the length of time to be given for refund claims.

CACI Tax Council members made it clear to the DOR that the 60-day rule in statute was simply an additional measure for taxpayers to use for faster processing of refund-claim decisions. This provision was never intended to be used to supersede the three-year statute of limitations defined in Section 39-26-703(2)(e) of the Colorado Revised Statutes.

The clarification was contained in HB-1265. The bi-partisan bill was sponsored by House Majority Leader Amy Stephens (R-Monument) and Senator Michael Johnston (D-Denver).