



HIXSON FARMS
Jillane Hixson
 7943 County Road DD
 Lamar, CO 81052
 719-336-4285 / jrh@centurytel.net

March 04, 2021

Colorado State Legislators
 200 E. Colfax Avenue
 Denver, CO 80203
via email

RE: Please Vote "Yes" - SB21-033 – Conservation Easement Reparations

Dear Honorable Senators & Representatives

In 2003, with a great deal of due diligence and the with the help of highly credentialed professionals (attorneys, state certified appraisers, wildlife biologists, etc); my family donated Conservation Easements to a qualified land trust. Per the provisions of Colorado statutes, we subsequently sold our state tax credits, and used the proceeds to service debt on our 3rd generation family farm.

Four years after our donation (2007), the **Colorado Department of Revenue** **arbitrarily claimed our C/E property had \$0 value** (see attachments). The CDOR then engaged in relentless efforts, and strong-arm tactics, to claw back the **C/E tax credits, +++ 200% penalty & interest**, despite the **fact the IRS accepted 100% of our C/E appraisal values***.

After seven years of futile appeals, costly litigation, and unable to afford more attorney fees; under extreme stress & financial duress, in 2015 our family took out a 20-year loan, to enter settlement payments with CDOR & Tax Credit buyers. Because of the CDOR's wrongful disallowance, our family's agony will have spanned over **"three" decades of hell**, when our loan is paid in **2035**.

Literally, our family suffered **severe financial damages** and **decades of mental & physical stress**, simply for having donated our property, in perpetuity, for the enjoyment of the State of Colorado.

Countless other farmers and ranchers, have long-suffered immeasurable damages, caused by the **CDOR's arbitrary disallowance and "claw back" of C/E tax credits** ...all while simultaneously suffering multi-year agricultural disasters (*drought, high winds, freezes, wildfires, failing markets*).

SB21-033 will **not** make my family whole, nor will it erase decades of **"anguish" & "brain damage"**, but it will go a long way to mitigate **"some"** of the financial damages... and it will help restore integrity of the Conservation Easement program, destroyed by the CDOR's abuse of power.

Thus, I strongly urge our Colorado law makers to favorably support SB21-033!

Thank you in advance words cannot convey the heart-felt gratitude, alleviation of despair, and restored faith in government (by the multitudes affected), should this bill be enacted!

Sincerely,

 Jillane Hixson

* Colorado Statute - TITLE 39 ... (CRS 39-22-522) identified IRS-170(h) as the only standard.

STATE OF COLORADO

DEPARTMENT OF REVENUE

State Capitol Annex
1375 Sherman Street
Denver, CO 80261



October 16, 2007

SSN [REDACTED]



JILLANE HIXSON

[REDACTED]
[REDACTED]
[REDACTED]

Tax years 2003-2005

rjg

Credit disallowed \$293,130

Credit reduced on 03 return	\$3,893
Tax increase 2003	\$ 663
Tax increase 2004	\$ 827
Tax increase 2005	\$1,436

Your Colorado income tax return has been adjusted because the gross conservation easement credit listed above has been adjusted/disallowed for the following reasons:

Under authorization of Federal Law Section 6108(d) of the Internal Revenue Code, the Colorado Department of Revenue has obtained information from the Internal Revenue Service that adjustments were made on your Federal Income Tax Return. **FALSE!**

The appraisal did not meet the federal requirements as defined in 26 CFR 1.170A per section 39-22-522(3), C.R.S.

The donation did not meet the requirements of a qualified conservation contribution pursuant to section 170(h) of the Internal Revenue Code per section 39-22-522(2), C.R.S.

The appraisal of the conservation easement donation overstated the fair market value of the donation.

Pursuant to Section 39-22-522(7)(i), C.R.S. and Regulation 39-22-522, as the donor of the conservation easement that generated this credit, you have been designated as the tax matters representative (TMR). As such, you are responsible for requesting a hearing on this matter for all transferees of the tax credit. You should contact the transferees to determine whether they wish to be included in any hearing request.

IRS
allowed
•
accepted
APRIL
2010

PROTEST
FILED

11-09-07

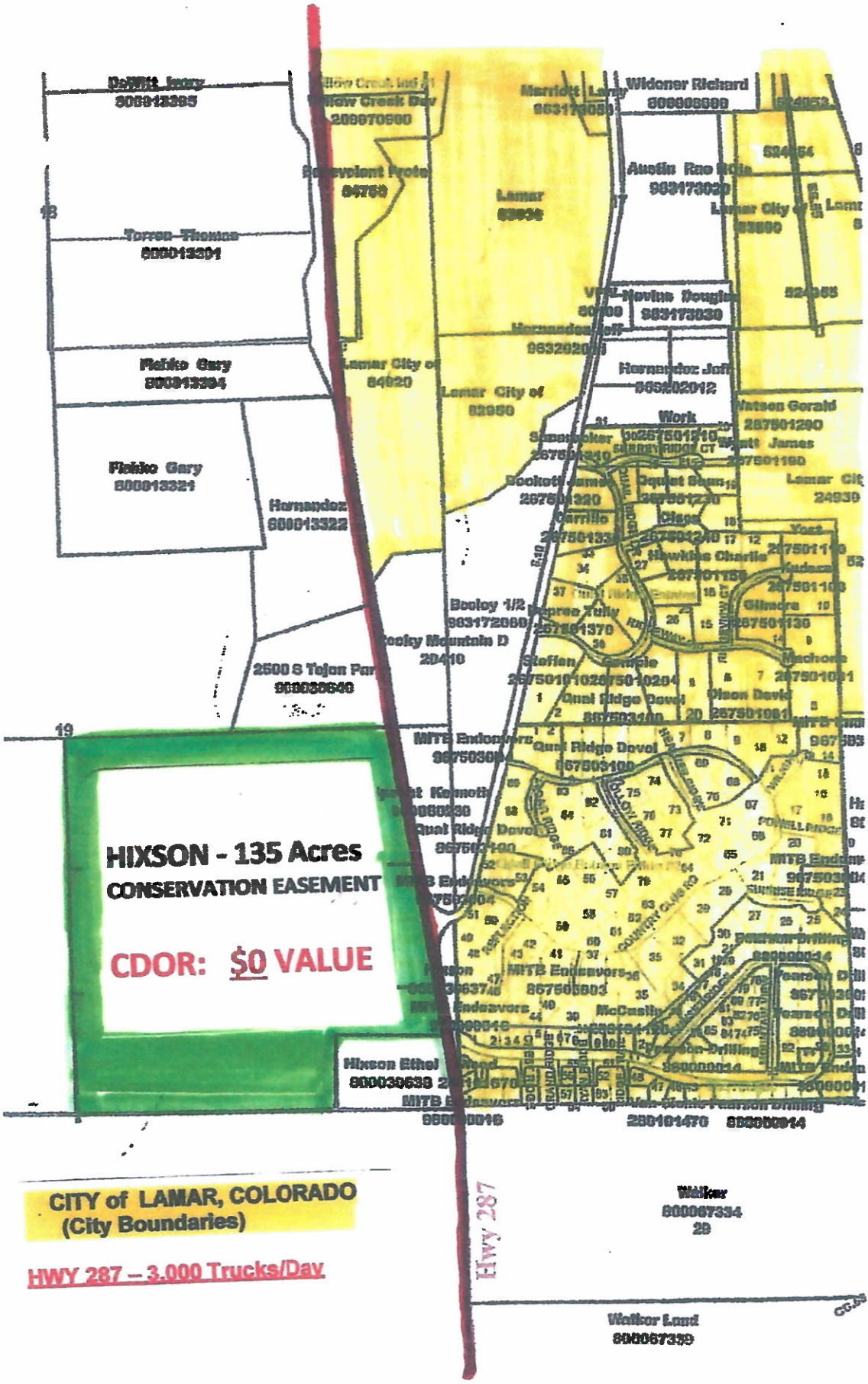
If you wish to protest this determination or any part thereof, it will be necessary for you to present, in writing, your facts, the law, and argument in duplicate, which must be filed pursuant to the remedy provided by Title 39, Article 21, Colorado Revised Statutes, as amended, within thirty (30) days from the date of this letter. Any request for hearing must be made pursuant to Regulation 39-21-103. As TMR you must also include information on any transferee on whose behalf you are filing the request for hearing and copies of any notices the transferees have received regarding the adjustment of the credit.

In lieu of the request for a hearing, you may file a written brief and other written materials or documents as you deem appropriate and request that the Executive Director reconsider the adjustments in the same manner as if the written material submitted had been presented at a hearing. The brief and written material must be submitted within thirty(30) days of the date of this letter.

A bill for the balance of tax due plus penalty and interest will be mailed under separate cover. Please return your bill with the payment to insure proper credit to your account.

R GARDINI
POLICY GROUP ROOM 203
(303) 866-3900 0000

Jillane Hixson - 08/04/10
Legislative Special Committee
Conservation Easements
Exhibit A - Page 1



2003
 "State Certified"
 Appraiser
HIXSON
 CONSERVATION
 EASEMENT

CRS 39-22-522

 IRS 170(h)
 is the only
 standard for
 C/E appraisals

IRS
 2007 -2010
 extensive review
 ACCEPTED
 FULL VALUE
 of HIXSON
 CE appraisal

CDOR
 C/E = \$0

Hixsons v. CDOR
 (2007 - 2015)

David v. Goliath
 (Goliath won)

HIXSONS
 paid back
 CE tax credits

* LAND TRUST
 retains
 HIXSONS C/E

CITY of LAMAR, COLORADO
 (City Boundaries)

HWY 287 - 3.000 Trucks/Day

Hixson01572



CONSERVATION VALUES

Credible Solutions to Complex Appraisal Problems

December 15, 2011

Ms. Natalie Barajas
Tax Conferee I
Department of Revenue
1375 Sherman Street, Room 234
Denver, Colorado 80203

RE: Retrospective appraisal of a conservation easement in Prowers County, Colorado donated by Jillane R. Hixson on December 15, 2003.

Dear Ms. Barajas:

In accordance with Department of Revenue Contract Number TAA11/22644 and at your request in the letter October 19, 2010 (attached as *Addendum A*), I have conducted the research and analysis requisite to estimate the *fair market value* (as defined on page 3) of the conservation easement located in the Southeast Quarter of Section 19, Township 23 South, Range 46 West in the County of Prowers, State of Colorado 81052 (as described on page 22) donated by Jillane R. Hixson as of December 15, 2003.

This *summary* appraisal report conforms to the *Uniform Standards of Professional Appraisal Practice of the Appraisal Institute*, as well as Treasury Regulations, Subchapter A, Sec. 1.170A-13, and the Pension Protection Act of 2006. The following report summarizes the methodology employed, the pertinent data considered, and the conclusions reached. These conclusions are subject to the *General Conditions* and *Limiting Conditions* as defined on pages 9 and 10 of this report.

This appraisal was prepared for the use of the Department of Revenue to establish *fair market value* of the donated conservation easement for income tax purposes. Any other use of the appraisal is unauthorized and expressly prohibited.

Considering the analysis presented in the attached appraisal report, the most supportable *fair market value* (as defined on page 8 of the following report) of the conservation easement (as described on page 199) located in the Prowers County, Colorado as of December 15, 2003 is:

CONSERVATION EASEMENT VALUE INDICATION:

ZERO DOLLARS
(\$0)

Respectfully yours,

Steven C. Groh, MAI, President
InterWest Appraisal, Ltd. dba Conservation Values
Certified Appraiser #CG01317274 - State of Colorado
Tax I.D. No. 84-1259757

Internal Revenue Service

Appeals Office
1244 Speer Blvd.
Suite 400
Denver, CO 80204

Date: **APR 20 2010**

7943 ROAD DD
LAMAR CO 81052

Department of the Treasury

Person to Contact:

Tom Radow
Employee ID Number: 0232791
Tel: 720-956-4502
Fax: 720-956-4567

Refer Reply to:
AP:FW:DEN:TAR

In Re:
Income Tax Liability
SSN/EIN Number:
[REDACTED]

Tax Period(s) Ended:
12/2003

Dear Ms. Hixson:

The agreement we reached has been approved and we will complete our processing of your case.

Since there is no deficiency or overassessment, you do not need to take any further action.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely,



John A Salazar
Appeals Team Manager

cc: Fred Kelly Grant

IRS Evaluation
2003 Conservation Easement
Appraisal / Tax Credits



EQUILINE

U.S. BANK 0288
THORNTON
PO BOX 790179
ST. LOUIS MO 63179-0179

0.412 106481124155950 P Y

JILLANE R HIXSON

Account Summary Jan. 12, 2020	
Account Number:	[REDACTED]
End of Draw Date:	Dec. 6, 2022
Maturity Date:	Dec. 06, 2032
Approved Credit Line:	[REDACTED]
Principal Balance:	\$74,246.39
Available Credit:	[REDACTED]
Total Minimum Amt. Due:	[REDACTED]
Payment Due Date:	Feb. 6, 2020

If you do not pay the Total Minimum Amount Due by the Payment Due Date, you may be subject to late charges which will appear on your next statement.
* The Principal Balance is not the final payoff amount. Contact 24-Hour Banking at 1-800-USBANKS for payoff amount.

**2003
Conservation Easement**

**2015
CDOR SETTLEMENT**

**20 yr Home Equity Loan
Payoff: 2032**

Statement Continues on Next Page



Equal Housing Lender



Please detach coupon and send with payment

Account Nbr: [REDACTED]
Statement Date: Jan. 12, 2020
HIXSON

Address Change? Visit your branch, call 24-Hour Banking at 800-USBANKS, or visit www.usbank.com

Send payment to address below:

U.S. BANK 0288
THORNTON
PO BOX 790179
ST. LOUIS MO 63179-0179

[Barcode]

Payment Due Date	Feb. 6, 2020
MINIMUM AMOUNT DUE	[REDACTED]
Amount Enclosed \$	

For information on making additional or principal payments please contact us at 800-USBANKS (800-672-2857) or usbank.com

000000 [REDACTED]

