Income Tax - Disagree With A Billing Notice

How do I respond if I disagree with a tax bill I received?

If a taxpayer wishes to protest a notice of proposed **audit adjustments** or/a **refund denial** (from the Field Audit or Fair Share sections, or the Taxpayer Service Division) or any part thereof, the taxpayer must make written application to the Executive Director for a hearing to present the facts, the law, and arguments. **This written application must be filed within 30 days from the date of the notice or refund denial**. The 30-day period is fixed by statute and cannot be extended. If the protest is not filed within the 30-day period following the date of mailing of the notice or refund denial (not the date of receipt by the taxpayer), the executive director is required by law to make a final determination per Section 39-21-107 CRS.

If the 30-day period ends on a Saturday, Sunday, or legal holiday, the protest will be due on the following business day.

The written application (protest) must contain at least the following information:

- a. Taxpayer's name and address
- b. A reference number (may be account number or any other reference number noted on the notice or denial)
- c. The taxable period(s) involved
- d. The amount(s) and kind(s) of tax in dispute
- e. An itemized schedule of the findings with which the taxpayer does not agree
- f. A statement summarizing the reasons the taxpayer believes tax is not due
- g. Affirmative or negative determination to use a brief in lieu of hearing as provided in Section 39-21-103(7) CRS

A separate protest in duplicate must be submitted for each notice or refund denial protested. The taxpayer must sign each protest and swear to the facts stated therein. If counsel prepares the protest, counsel must also sign the same. Only the named individual taxpayer, general partner of a partnership, officer of a named corporation, or an individual authorized by such proper person's power of attorney may sign the protest. **Improperly signed protests are invalid.** Failure to file a valid protest may deny the taxpayer valid standing in an appeal to the courts, and allow the Department to begin collection procedures. See Colorado Revised Statutes Section 39-21-103 and 104. The application for a hearing is made to the Executive Director; however, for expeditious handling, it should be mailed to the attention of the reviewer whose name appears on the notice or refund denial or the section generating the notice or refund denial. The protest should be sent to the following address:

Colorado Department of Revenue 1375 Sherman Street Denver CO 80261 All protested adjustments resulting from the notice of proposed audit adjustments or denied refund claims will first be reviewed for any matters lacking factual information. Once factual matters are resolved and assuming the protest has not been resolved, the protest will be transmitted to the Tax Conferee Office. The Tax Conferee Office will review disputed matters of law after the factual matters are resolved.

The taxpayer's written protest and the Department's documents supporting the notice or refund denial are reviewed by the Tax Conferee Office prior to the scheduling of any formal hearing. Suggested changes enumerated in the protest may be accepted or rejected based on their validity or applicability. An informal conference may be scheduled to discuss the protest and to allow the submitting of additional evidence in support of the protest. The informal conference does not waive any of the taxpayer's right to an administrative hearing. In the event the protest is not resolved by the informal conference, then the protest will be forwarded to the Executive Director for formal hearing.