

The Louisville Municipal Code (LMC) defines the permissible periods allowed by the City for the collection of taxes, penalties and interest owed by a taxpayer.

Failure to File a Return

If a taxpayer fails to file a tax return, the tax, penalties and interest may be assessed and collected by the City at any time.

False or Fraudulent Return

If a taxpayer files a false or fraudulent return with the intent to evade tax, the tax, penalties and interest may be assessed or collection proceedings started by the City at any time.

Use or Consumption of Tangible Personal Property

The use or consumption of tangible personal property which occurs more than three years after the most recent purchase of such property, is exempt from City taxation, provided the property has been significantly used within the State of Colorado for the principle purpose for which it was purchased.

Assessments, Collections and Liens

The City may not assess, file liens, issue distraint warrants, file suit for collection, or any other action to collect taxes, penalties or interest more than three years after the date on which the tax was due or is payable. Any liens filed for taxes assessed prior to the expiration of the period will continue for one year after the filing of the notice of lien.

Tolling of Statute of Limitations

“Toll” is defined as an interruption of the running or continuation of the statute of limitations. The commencement of collection proceedings, including the mailing of a notice of audit, shall toll the running of the statute of limitations. In the case of mailing of a notice of audit, such audit shall be diligently pursued by the City.

Extensions

Before the expiration of such period of limitation, the taxpayer and the Finance Director may agree in writing to an extension (signed waiver form), and the period agreed on may be extended by subsequent agreements in writing, but made before the expiration of the previously agreed upon time.

The information contained in the Tax Guide publications is intended to offer general guidance in layman’s terms, for this topic, industry or business segment, and is not intended for legal purposes to be substituted for the full text of the Louisville Municipal Code rules and regulations. This guide does not constitute a city tax policy.