

DS 628 – Producing Mines Real and Personal Property Declaration Schedule and Instructions

This Schedule Must Be Filed Every Year Regardless If Any Additions Or Deletions Were Made.

**DUE DATE APRIL 15, 2020
FOR ASSESSMENT YEAR BEGINNING JANUARY 1, 2020**

General Information

(Declaration Schedules and Attachments Are Confidential And Private Documents By Law.)

For these instructions, please refer to the following statutes: §§ 39-3-118.5, 39-3-119.5, 39-5-104.5, 39-5-104.7, 39-5-107, 39-5-108, 39-5-110, 39-5-113 through 117, 39-5-120, and 39-21-113(7), C.R.S.

In accordance with § 39-3-119.5, C.R.S., you are not required to file the personal property portion of this declaration if the total actual value of your personal property per county is \$7,700 or less.

If you are unsure as to whether the total actual value of your personal property per county exceeds \$7,700, please contact the county assessor.

WHO FILES A DECLARATION SCHEDULE? The owner (legal titleholder) of taxable personal property, their agent, and those in possession and/or control of the taxable personal property as of January 1 must file a declaration schedule. All personal property, such as a business/organization's: ■ Equipment ■ Security Devices ■ Machinery ■ Household Furnishings ■ Personal Effects, not otherwise exempt by law, must be listed on this schedule.

IS YOUR BUSINESS NEW? ARE YOU A NEW OWNER? If you answer "yes" to either question, or you have never filed with the county assessor and you own taxable personal property, you are required to provide a complete detailed listing of all machinery, equipment, and other personal property with an original installed cost over **\$350**. Please include: ■ Item ID Number ■ Property Description ■ Model Number ■ Year Acquired ■ Original Installed Cost to You.

PRORATION OF PERSONAL PROPERTY VALUE IS GENERALLY NOT ALLOWED.

As of January 1, 1996, the only proration of personal property value allowed is for Works of Art loaned to and used for charitable purposes by an exempt organization. If other taxable personal property was located in Colorado on the assessment date, it is taxable for the entire assessment year, providing that, if it was newly acquired, it was put into use as of the assessment date (January 1). If it was not located in the state on the assessment date, or if it was newly acquired, but was not put into use as of the assessment date, it cannot be taxed until the next assessment year. Except for works of art, personal property that is exempt on the assessment date retains its exempt status for the entire assessment year. These requirements do not affect the proration of real property.

WHEN DO YOU FILE? This form must be received by the county assessor by the April 15 deadline EVERY YEAR.

HOW DO YOU FILE FOR AN EXTENSION? You may extend the deadline if, by April 15, the assessor receives your written request AND \$20 for a 10-day extension, or \$40 for a 20-day extension. This extension applies to **only personal property** schedules (single or multiple), which a person is required to file in the county.

WHAT HAPPENS IF YOU FAIL TO FILE? The late filing penalty is \$50 or 15% of the taxes due, whichever is less. If you fail to file a schedule, the assessor shall determine a valuation based upon the BEST INFORMATION AVAILABLE and shall add a penalty of up to 25% of assessed value for any omitted property discovered and valued later.

NOTE: Failure to properly file a declaration schedule may prevent you from receiving an abatement per Colorado case law. Property Tax Adm'r v. Production Geophysical, 860 P.2d 514 (Colo. 1993)

WHY IS THE DECLARATION FORM IMPORTANT? Assessors use this information to help calculate the property's actual value. This value is based on the property's use and condition as of January 1 of each assessment year.

WHAT HAPPENS AFTER YOU SUBMIT THIS FORM?

- The assessor may request more information or conduct a physical inventory of your personal property at your business location.
- Notices of Valuation are mailed on June 15 to the address listed on this schedule.

INSTRUCTIONS FOR COMPLETING THE PRODUCING MINES REAL AND PERSONAL PROPERTY DECLARATION SCHEDULE, DS 628

For this section, the following statutes may be referenced: §§ 39-6-104, 39-6-105, and 39-6-107, C.R.S. All owners or operators of mines, placers, lodes, tunnels, or mill sites who extract any amount of ores, metals or mineral substances are required to file with the assessor a statement of production for the previous year and a listing of lands and/or mining claims. This statement should include: ■ Mining Property ■ Improvements ■ Personal Property.

A. **NAME AND MAILING ADDRESS:** Write any corrections to the preprinted name/address information under Change of Name or Address. If you are not the current business owner, please list the name and address of the new owner in the appropriate box. Also, list the date that the property was sold to the new owner.

PHYSICAL LOCATION/LEGAL DESCRIPTION: If not preprinted, enter the actual physical location/legal description of real and personal property owned by you and located within this county. This includes property owned by you or under your control or in your possession as of January 1. Indicate if there has been a change in location. List any additional property locations.

B. **OPERATION:** Complete this section by providing your business start-up date and primary product or service.

BUSINESS STATUS: Check the box that best describes the status of your business and property.

C. **PRODUCTION INFORMATION:** If a mine, placer, lode, tunnel or mill site, consisting of one or more mining claims, severed mineral interests or other lands with associated mineral rights was in operation during the preceding year, a statement of production must be filed on the form provided. Production requirements must comply with § 39-6-104, C.R.S. When this statement of production shows that the operation produced more than \$5000 in gross proceeds, the operation will be classified as a producing mine. The valuation for assessment shall be at an amount equal to twenty-five percent (25%) of the gross proceeds or one hundred percent (100%) of the net proceeds of such production, whichever is greater. "Gross Proceeds" is the gross value of the ore produced after allowable treatment, reduction (smelting), transportation, and sales costs have been deducted. These deductions are made only if those costs were included in the original gross value of the ore or products. Only those costs that have occurred between the point of sale and the mine mouth shall be considered allowable cost deductions from the gross value of the ore or products to obtain the gross proceeds amount. "Net Proceeds" is the gross value of the ore after costs of extraction (mining) are deducted from the "Gross Proceeds."

■ This is the statutory method of valuation of a producing mine, and is not an assessment of the ore itself.

■ Those operations that do not have over \$5000 in gross proceeds during the previous year shall be classified as non-producing mines, and will be valued as all other real property is valued – by use of the three approaches to value insofar as they are applicable.

C1./C2. In this section, please indicate if your operation is a producing mine under the definition set forth in § 39-6-105, C.R.S. and restated in the instructions above. If your operation does not qualify as a producing mine but had any amount of production during the previous year, you must show those figures in the necessary STATEMENT OF PRODUCTION SECTION.

C3. In this section, please list all production figures in the spaces provided.

Line a., list the number of tons of ore mined during the previous calendar year (Tons of ore removed from the ore reserve).

Line b., list the gross value of ore, or products derived therefrom, mined during the previous calendar year. This is the amount for which the product of the mine for the year was sold, or could have been sold, as ore, in concentrates, or in some other form. If there is an established preceding calendar year's market value for the ore of the type mined, this value must be shown, even though the product is not actually sold as ore. If part or all of the ore mined during the year was not sold during the year, or before the statement is filed, the ore or products should be valued at prevailing prices for the year of production. Tons of ore or products mined multiplied by the average value per ton of ore or products mined equals gross value.

Line c., list the total treatment costs for the ore and the mineral products contained therein that were incurred subsequent to the extraction (mining) of the ore, but before any possible sale. Treatment costs include crushing, grinding, concentrating, separating, conversion, or any other form of processing, other than reduction, performed to obtain a marketable product. **Only those costs that are actually reflected in the gross value of the product will be allowed.**

Line d., list the total costs of transportation incurred in moving the ore from the mine mouth to the point of sale. Transportation costs incurred in moving the ore from the mining face to the mouth of the mine are not to be included, but should be included in costs of extraction (mining).

Line e., list the total costs incurred in selling the marketable product(s). Exclude marketing costs for products that are not valued as part of the gross value amount.

Line f., list the total costs incurred in the reduction of the ore to its base product. These costs are deductions allowable only when the reduction cost is included in the gross value of the product.

Line g., show the total of the costs entered in lines c., d., e., and f. In determining the costs, if all the marketable product mining during the previous year has not been sold as of the filing of the statement, use typical market prices during the previous calendar year.

Line h., show the gross proceeds from production, subtracting the amount on line g. from the gross value of the ore mined (line b).

Line i., list the cost of extracting (mining) the ore. This total includes the costs incurred in moving the undisturbed ore from the "FACE" to the "MOUTH" of the mine. Exploration costs are not allowable as a cost of extraction.

Line j., show the net proceeds from production by subtracting the cost of extraction (line i) from the gross proceeds of production (line h). Exclude any costs that are not directly related to production from the producing mine, or to subsequent treatment, transportation, or sale. Depletion, depreciation, profit (margin), and unrelated off-site expenses are not allowable deductions.

The assessor will use the information provided in the statement to determine a valuation for assessment of the producing mine for the year following the year of production. If the mine is located in more than one political jurisdiction levying a tax, the valuation will be divided between the jurisdictions in proportion to the number of acres of the mine located in each jurisdiction. If the mine is located in more than one county, a consolidated statement must be filed with each county's assessor.

Attach supporting documents that show how the figures on the statement were derived, or make records supporting such figures available for the assessor's inspection.

C4. In this section, write in the Name and Addresses of the Owner and/or Operator of the mining operations and other information.

■ List the name and address of the owner of the mining claims, mineral rights or other lands comprising the mining property.

■ List the name and address of the operator of the mining operation, if any, located on the mining property.

■ List all minerals and salable by-products being extracted at the mining operation.

■ List Colorado Division of Reclamation, Mining and Safety (DRMS) permit number.

C5. and C6.: Do not write in these sections.

D. BREAKDOWN OF MINING CLAIMS: All owners of patented or unpatented mining claims, whether they are part of a producing mine or not, must list all claims in this section.

If the claim is patented, list the: ■ Claim name and number ■ U.S. mineral survey number ■ Acreage of the claim ■ Mining district where the claim is located ■ Type of claim (i.e. lode, placer, tunnel, mill site) ■ Date of recording of the location certificate for the claim ■ Patent date ■ Whether the claim is part of a producing mine as defined in § 39-6-105, C.R.S. If the claim is not patented, the numbers of the book and page documented in the county records must be used in place of the U.S. mineral survey number.

All information listed in this section is required by statute for the assessor to be able to make a correct and complete assessment of all claims. In addition, on a separate sheet, list the legal description and acreage of all other lands (i.e. severed mineral rights, deeded lands, leased lands, etc.) that make up any part of the mining property.

E. LISTING OF REAL PROPERTY IMPROVEMENTS: List the: ■ Description and location of all buildings and other leasehold improvements ■ Construction or installation date ■ Your Original installed cost. The taxpayer may attach statements or accounting records to describe this property.

F. LISTING OF PERSONAL PROPERTY: Natural resources personal property includes equipment, furniture, or machinery that is used in the: ■ Exploration ■ Production ■ Milling ■ Processing ■ Refining of natural resource products. If you are a first time filer, or are unsure as to whether the total actual value of your personal property per county exceeds \$7,700, please contact the county assessor. **Whether or not you file a declaration schedule, the assessor may select your business for an audit.**

NOTE: List ALL Personal Property including EXPENSED ASSETS WITH A LIFE OF GREATER THAN ONE YEAR AND FULLY DEPRECIATED ASSETS STILL IN USE THAT ARE SUBJECT TO IRS DEPRECIATION. You should also submit any relevant market value, rent, or lease information.

“CONSUMABLE” PERSONAL PROPERTY EXEMPT FROM TAXATION: Pursuant to § 39-3-119, C.R.S., personal property items that are classified as “consumable” as defined in ARL Volume 5, Chapter 7, are exempt from taxation and should **NOT** be listed on this declaration. “Consumable” personal property is defined as any asset having a life of one (1) year or less regardless of cost, and any asset with a life longer than one year that has a reasonable original installed cost or market value in use of \$350 or less at the time of acquisition. The \$350 limitation applies to personal property that is completely assembled and ready to perform the end user’s intended purpose(s) and it includes all acquisition costs, installation costs, sales/use taxes and freight expenses.

IMPORTANT: YOU MUST SUBMIT A COMPLETE PROPERTY LISTING IF YOU HAVE NEVER PROVIDED ONE FOR THIS LOCATION. Do not list merchandise inventory, materials, or supplies. **Do** list all other personal property acquired by you during the prior year. If you have given the assessor such a list, you may simply submit additions and deletions each year.

1. List all taxable personal property acquired by you during the prior year, providing: ■ Item ID Number ■ Complete Property Description Including Model Number or Capacity ■ Year Acquired ■ If the Item is New or Used ■ Original Installed Cost to You (Current Owner), and ■ The Month and Year Each Item was First Placed into Service or is Scheduled to be Placed into Service. You should separately submit any available market value, rent, or lease information. The Original Installed Cost to You is defined as the amount that was paid for the personal property when new, inclusive of ■ Sales/Use Tax ■ Freight, and ■ Installation Charges. If the item was purchased used, include its Cost to You along with Sales/Use Tax, Freight, and Installation Charges.
2. List all taxable personal property sold, traded, or scrapped during the prior year. Provide for all items deleted: ■ Item ID Number ■ Property Description ■ Year Acquired ■ If the Item is New or Used ■ Original Installed Cost to You (Current Owner).
3. List all unlicensed mobile equipment at this location. Do not list licensed vehicles, mobile equipment with SMM license plates, rental decals, or Z-tabs.
4. All leasehold improvements must be itemized to include: ■ Property Description ■ Year Acquired, and ■ Your Original Installed Cost.

G. DEPRECIATION: If you file a Form 4562 or 4562-A with the IRS, please provide a copy of your completed IRS Form with an itemized listing of all personal property including the description and cost of each item. Note that all personal property that is expensed should be included in your listing. In addition, attach a copy of the latest detailed Depreciation Schedule from your financial records.

H. LEASED, LOANED OR RENTED PERSONAL PROPERTY: All personal property leased, loaned, or rented to you must be listed in this section. Property rented for 30 days at a time or less, returned at the renter's option, and for which sales/use tax is collected before it is finally sold, is considered exempt and should **NOT** be reported. You must identify each item of leased personal property as follows: ■ Owner/Lessor's Name, Address, and Telephone Number ■ Property Description Including Model and Serial Number ■ Cost of the Lease ■ Lease Number ■ Lease Term (From- To) and ■ Total Amount of Annual Rent. If any of the leased equipment listed is capitalized on your books and records, please check the box at the beginning of the line corresponding with the name of the Lessor. Also, if purchase or maintenance options are included in the lease, check this box and provide details of these options on a separate sheet.

I. DECLARATION AND SIGNATURE: Print the personal property owner’s Federal Employer Identification Number (FEIN) or Social Security Number (SSN). Print name of owner, name of person signing, phone number, and e-mail address. Then sign, date, and return this form to assessor by **April 15th**. § 39-5-107, C.R.S.

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**DS 628 – Producing Mines Real and Personal Property
Declaration Schedule
Confidential**

B.A. Code	T.A Code	Schedule/Acct#	DO NOT USE – FOR ASSESSOR ONLY						
			Code	Description	Acres	Tons Produced	Actual Value	%	Assessed Value
<i>Assessment Date</i> 1/1/2020	<i>Due Date</i> 4/15/2020	RETURN TO COUNTY ASSESSOR County	61					29	
A. NAME AND ADDRESS (Indicate any changes or corrections)			61					29	
			62	Improvements				29	
			64	Equipment, Furniture & Machinery				29	
			TOTALS						

PHYSICAL LOCATION/LEGAL DESCRIPTION OF THE PROPERTY AS OF JANUARY 1, 2020:

If you are not the current business owner please list the name and address of the new owner below. Date Sold: _____

B. OPERATION Start Up Date: _____ **Check this box if this is your first return**

BUSINESS STATUS (Check the Appropriate Box): New Business New Owner You MUST furnish a complete itemized listing for first returns.

Type of Products _____

C. PRODUCTION INFORMATION
(Please read instructions FIRST before completing this section.)

1. Was this operation a **producing mine** during the previous year? Yes No

2. If yes, indicate total acreage at the **producing mine**. _____ acres

3. Statement of Production for the Previous Year:

a. Ore Mined During Year	_____ tons
b. Gross Value of Ore Mined During Year	\$ _____
c. Cost of Treatment (if part of gross val.)	\$ _____
d. Cost of Transportation	\$ _____
e. Cost of Sale	\$ _____
f. Cost of Reduction	\$ _____
g. Subtotal (c+d+e+f)	\$ _____
h. Gross proceeds from Production (b-g)	\$ _____
i. Cost of Extraction (mining)	\$ _____
j. Net Proceeds from Production (h-i)	\$ _____

List all minerals or products mined last year and the % of total gross value for each product mined. Attached separate sheet(s), if needed.

Product Mined	%	Product Mined	%
1. _____	_____	3. _____	_____
2. _____	_____	4. _____	_____

4. Names and Addresses.

Owner's Name and Address of mining leaseholds and lands:

Operator's Name and Address of mining operation:

All minerals and salable by-products extracted at the mining operation:

DRMS PERMIT NUMBER

5. Correlation (Do Not Use – For Assessor ONLY)

25% of Gross Proceeds _____

100% of Net Proceeds _____

VALUATION FOR ASSESSMENT _____

6. Apportionment of Assessment (Do Not Use – For Assessor ONLY)

County	Tax Area	Acreage
TOTAL ACREAGE		

D. BREAKDOWN OF MINING CLAIMS OR LANDS COMPRISING MINING PROPERTY OWNED OR LEASED BY YOU
(Attach separate sheet(s) if needed).

Claim Name or Number	Patented or Unpatented?	U.S. Mineral Survey #	Book/Page Or Reception #	Acreage Or Claim	Mining District	Type of Claim	Location Certificate Recording Date	Part of Producing Mine?

Also list all land owned by you NOT considered a mining claim but comprising the mining property.

E. LISTING OF REAL PROPERTY IMPROVEMENTS: (attach separate sheet(s), if necessary) List buildings and other improvements constructed or installed the previous year. Include the property description and location, installation date, your original installed cost, and any additions since original installation.

Buildings and Other Improvements Description and Location	Date of Installation	Your Original Installed Cost	Additions Since Original Installation

F. LISTING OF PERSONAL PROPERTY:

****FOR AN ACCURATE ASSESSMENT, WE MUST HAVE A COMPLETE LISTING OF PERSONAL PROPERTY****

NOTE: Include ALL Expensed Assets With a Life of Greater Than 1 Year, Fully Depreciated Assets Still in Use, and Stored Assets Which Have Been Subject to IRS Depreciation. In accordance with § 39-3-119.5, C.R.S., you are not required to complete this section if the total actual value of your personal property per county is \$7,700 or less. If you are a first-time filer or are unsure as to whether the total actual value of your personal property per county exceeds \$7,700, please contact the county assessor. **Whether or not you file a declaration schedule, the assessor may select your business for an audit.**

(1) List Personal Property acquired during the previous year. (Attach separate sheet(s), if needed): Check if there are no additions.

Item ID#	Complete Description Including Model or Capacity	Year Acquired	Month & Year First Placed into Service	New or Used (check only one) <input type="checkbox"/> New <input type="checkbox"/> Used	Original Installed Cost to you
				<input type="checkbox"/> New <input type="checkbox"/> Used	\$
				<input type="checkbox"/> New <input type="checkbox"/> Used	\$
				<input type="checkbox"/> New <input type="checkbox"/> Used	\$

(2) List Personal Property sold, traded, or permanently disposed of as of January 1: Check if there are no deletions.

Item ID#	Complete Description Including Model or Capacity	Year Acquired	New or Used (check only one) <input type="checkbox"/> New <input type="checkbox"/> Used	Original Installed Cost to you
			<input type="checkbox"/> New <input type="checkbox"/> Used	\$
			<input type="checkbox"/> New <input type="checkbox"/> Used	\$
			<input type="checkbox"/> New <input type="checkbox"/> Used	\$

(3) List Unlicensed Mobile Equipment: Do not list mobile equipment with SMM license plates, rental decals, or Z-tabs.

Item ID #	Complete Description Including Model or Capacity	Year Acquired	Year in Use	New or Used (check only one) <input type="checkbox"/> New <input type="checkbox"/> Used	Original Installed Cost to you
				<input type="checkbox"/> New <input type="checkbox"/> Used	\$
				<input type="checkbox"/> New <input type="checkbox"/> Used	\$
				<input type="checkbox"/> New <input type="checkbox"/> Used	\$

(4) List ALL Leasehold Improvements: (Attach separate sheets(s), if needed.)

Description	Year Acquired	Your Original Installed Cost
		\$
		\$
		\$

G. DEPRECIATION: If you file a form 4562 or 4562-A with the IRS, please provide a copy of your completed IRS Form with an itemized listing of all personal property including the description and cost of each item. Note that all personal property that is expensed should be included in your listing. In addition, attach a copy of the latest detailed Depreciation Schedule from your financial records.

H. LEASED, LOANED, OR RENTED PROPERTY: Declare Property Owned by Others Here.

Check here if you possessed any leased, loaned, or rented machinery, equipment, furniture, signs, vending machines on January 1st. Do not list mobile equipment with SMM license plates, rental decals, or Z-tabs. List below, showing owner's name, address, and telephone number; property description; etc. If any of the leased equipment is capitalized on your books and records, please check the box at the beginning of the line corresponding with the name of the Lessor.

Owner/Lessor's Name, Address, Telephone Number	Description Including Model/ Serial No. or Capacity	Cost of Lease	Lease Number	Lease Term (From -To)	Annual Rent
<input type="checkbox"/>		\$			\$
<input type="checkbox"/>		\$			\$

If purchase or maintenance options are included in the total annual \$ rent shown above, check here and furnish details.

I. DECLARATION: (THIS RETURN IS SUBJECT TO AUDIT)

"I declare, under penalty of perjury in the second degree, that this schedule, together with any accompanying exhibits or statements, has been examined by me and to the best of my knowledge, information, and belief sets forth a full and complete list of all taxable personal property owned by me, or in my possession, or under my control, located in this county, Colorado, on the assessment date of this year; that such property has been reasonably described and its value fairly represented; and that no attempt has been made to mislead the assessor as to its age, quality, quantity, or value." § 39-5-107(2), C.R.S.

PROPERTY OWNER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN)/SOCIAL SECURITY NUMBER (SSN) _____

NAME OF OWNER _____

PRINT NAME OF PERSON SIGNING _____ PHONE NUMBER _____

E-MAIL ADDRESS _____ FAX NUMBER _____

SIGNATURE OF OWNER OR AGENT _____ DATE _____

Check here if new agent. If new agent, submit a letter of authorization when filing this form.

PLEASE COMPLETE, SIGN AND RETURN TO THE ASSESSOR ON OR BEFORE APRIL 15, 2020.