

Amendment E: Extend Homestead Exemption to Gold Star Spouses

Placed on the ballot by the legislature • Passes with 55 percent of the vote

1 **Amendment E proposes amending the Colorado Constitution to:**

- 2 • reduce property taxes for the surviving spouses of both United States Armed
3 Forces service members who died in the line of duty and veterans who died
4 as a result of a service-related injury or disease.

5 **What Your Vote Means**

YES

6 A “yes” vote on
7 Amendment E reduces the
8 property taxes paid by a
9 homeowner who is the surviving spouse of
10 either a military member who died in the
11 line of duty or a veteran who died as a
12 result of a service-related injury or disease
13 by expanding the existing homestead
14 exemption for disabled veterans to include
15 these surviving spouses.

NO

A “no” vote on Amendment E means that the existing homestead exemption is not expanded to include surviving spouses of either a military member who died in the line of duty or a veteran who died as a result of a service-related injury or disease.

Summary and Analysis for Amendment E

1 Amendment E expands the current homestead exemption to reduce the property
2 taxes paid by a homeowner who is the surviving spouse of either a military
3 service member who died in the line of duty or a veteran whose death resulted
4 from a service-related injury or disease.

5 **What is the current homestead exemption?**

6 The homestead exemption in the state constitution reduces property taxes owed
7 on a qualifying homeowner's primary residence by exempting 50 percent of the
8 first \$200,000 of the home's value from taxation. The state legislature can adjust
9 the \$200,000 amount to either increase or decrease the homestead exemption.
10 Examples of the effect of this exemption can be found in Table 1.

11 Qualifying homeowners include Coloradans aged 65 or over who have lived in
12 their home for at least ten years and veterans with a service-connected disability
13 rated 100 percent permanent and total by the federal government. A qualifying
14 veteran who is also eligible for a reduction in property taxes as a senior cannot
15 claim both reductions.

16 The surviving spouse of a veteran with a disability who continues to live in the
17 home can continue to claim the homestead exemption after the veteran dies.
18 The surviving spouse who continues to live in the home of a senior who claimed
19 or could have claimed the homestead exemption can also claim the exemption.

20 Although counties collect property tax, the state reimburses them for the cost of
21 the homestead exemption.

22 **How does the homestead exemption reduce a homeowner's property tax bill?**

23 The dollar amount of the tax reduction from the homestead exemption varies
24 among homeowners depending on the statewide residential assessment rate, the
25 local property tax rate, and the home's value after the exemption is applied.

26 Table 1 provides examples of how the homestead exemption reduces property
27 taxes based on an average 2021 property tax rate and the current exemption
28 level. The actual tax reductions will vary because local governments can set
29 different property tax rates.

30 **Table 1**
31 **Examples of Homeowner Savings from the Homestead Exemption**

Home Value	Average Taxes without Homestead Exemption	Home Value with Homestead Exemption	Average Taxes with Homestead Exemption	Average Tax Reduction
\$150,000	\$950	\$75,000	\$470	\$480
\$200,000	\$1,260	\$100,000	\$630	\$630
\$500,000	\$3,160	\$400,000	\$2,530	\$630
\$1,000,000	\$6,320	\$900,000	\$5,690	\$630

32 In 2021, 266,538 seniors claimed homestead exemptions, with an average tax
33 reduction of \$587, and 9,016 veterans claimed homestead exemptions, with an
34 average tax reduction of \$617.

Legislative Council Draft

1 **Who qualifies for the homestead exemption under the measure?**

2 Amendment E extends the homestead exemption to surviving spouses, also
3 known as Gold Star spouses, of U.S. Armed Forces service members who died
4 in the line of duty and of veterans whose death resulted from a service-related
5 injury or disease.

6 To claim the homestead exemption, the surviving spouse must own and live in
7 the home and be determined qualified under federal law by the state Department
8 of Military and Veterans Affairs (DMVA). To qualify, a surviving spouse must
9 provide evidence to the DMVA from either the U.S. Department of Defense or the
10 U.S. Department of Veterans Affairs that the service member's death was the
11 result of a service-related injury or disease, whether the death occurred while on
12 active duty or following separation from the military.

13 An estimated 490 surviving spouses who are not otherwise able to claim the
14 homestead exemption would be eligible for the exemption under this measure in
15 property tax year 2023.

For information on those issue committees that support or oppose the measures on the ballot at the November 8, 2022, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:

<http://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html>

16 **Argument For Amendment E**

17 1) The measure allows Colorado to do more to help Gold Star families
18 whose spouses have lost their lives in service to our nation and state.
19 Losing a spouse can lead to unmet financial needs, and the tax
20 exemption in Amendment E helps Gold Star spouses offset expenses of
21 the family home. Additionally, Colorado currently allows spouses of
22 100 percent disabled veterans to keep the homestead exemption when
23 that veteran dies, but provides no exemption if the spouse is killed while
24 serving in the military. Amendment E addresses an inconsistency that is
25 unfair to surviving families.

26 **Argument Against Amendment E**

27 1) Amendment E reduces taxes only for Gold Star spouses who are
28 financially able to own homes. Gold Star spouses who cannot afford to
29 own a home do not benefit from this measure. Further, the intent of the
30 current homestead exemption for 100 percent permanently disabled
31 veterans is to help address the employment and income limitations of
32 their disability. Gold Star spouses already receive federal financial
33 benefits, and they may not have the same employment challenges as
34 permanently disabled veterans.

Legislative Council Draft

1 **Fiscal Impact for Amendment E**

2 **State spending.** Counties collect property taxes, but they do not lose revenue
3 from the homestead exemption because the state reimburses them for the
4 reduction in property tax revenue resulting from the homestead exemption. In
5 2021, the state reimbursed counties \$162.1 million in homestead exemptions, of
6 which \$156.5 million was for senior homestead exemptions and \$5.6 million for
7 veterans with a disability homestead exemptions. Amendment E will increase
8 state spending by \$288,000 in state budget year 2023-24 to cover the
9 reimbursements authorized in the measure.

Amendment ? : Extend Homestead Exemption to Gold Star Spouses

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5 **What Your Vote Means**

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1 **Summary and Analysis for Amendment ?**

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9 first \$200,000 of the home’s value from taxation. The state legislature can adjust
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13 their home for at least ten years and veterans with a service-connected disability
14 rated 100 percent permanent and total by the federal government. A qualifying
15 veteran who is also eligible for a reduction in property taxes as a senior cannot
16 claim both reductions.

17 Surviving spouses who live in a home for which a deceased senior had claimed
18 or could have claimed a homestead exemption, or for which a veteran with a
19 disability had claimed a homestead exemption, can also claim the exemption.

20 **How does the homestead exemption reduce a homeowner’s property tax bill?**

21 The dollar amount of the tax reduction from the homestead exemption varies
22 among homeowners depending on the statewide residential assessment rate, the
23 local property tax rate, and the home’s value after the exemption is applied.

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26 level. The actual tax reductions will vary because local governments can set
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4 in the line of duty and of veterans whose death resulted from a service-related
5 injury or disease.

6 To claim the homestead exemption, the surviving spouse must own and live in
7 the home and be determined qualified under federal law by the state Department
8 of Military and Veterans Affairs (DMVA). To qualify, a surviving spouse must
9 provide evidence to the DMVA from either the U.S. Department of Defense or the
10 U.S. Department of Veterans Affairs that the service member's death was the
11 result of a service-related injury or disease, whether the death occurred while on
12 active duty or following separation from the military.

13 An estimated 883 surviving spouses who are not otherwise able to claim the
14 homestead exemption would be eligible for the exemption under this measure in
15 property tax year 2023.

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21 the family home. Additionally, Colorado currently allows spouses of
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23 that veteran dies, but provides no exemption if the spouse is killed while
24 serving in the military. Amendment ? addresses an inconsistency that is
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29 own a home do not benefit from this measure. Further, the intent of the
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31 veterans is to help address the employment and income limitations of
32 their disability. Gold Star spouses already receive federal financial
33 benefits, and they may not have the same employment challenges as
34 permanently disabled veterans.

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2 **State spending.** Counties collect property taxes, but they do not lose revenue
3 from the homestead exemption because the state reimburses them for the
4 reduction in property tax revenue resulting from the homestead exemption. In
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6 which \$156.5 million was for senior homestead exemptions and \$5.6 million for
7 veterans with a disability homestead exemptions. Amendment ? will increase
8 state spending by \$515,000 in state budget year 2023-24 to cover the
9 reimbursements authorized in the measure.

Last Draft Comments from Interested Parties

Amendment E Homestead Exemption for Gold Star Spouses

Wes Carter, representing himself as a proponent:

17 Surviving spouses who live in a home for which a deceased senior had claimed
18 or could have claimed a homestead exemption, or for which a veteran with a
19 disability had claimed a homestead exemption, can also claim the exemption.

I recommend addition of the following paragraph with this sentence: "The state reimburses counties for these exemptions."

Michelle (Shelly) Kalkowski, representing the United Veterans Coalition of Colorado State Legislative Committee:

Dear Julia, Hamza and Elizabeth,

Thank you for the opportunity to work with you on the Blue Book analysis for Amendment ? Extend Homestead Act Property Tax Exemption to Gold Star Spouses. Draft 2 accurately describes, in clear and straightforward language, the intent and purpose of the proposed amendment and will be very helpful to voters in understanding the impact of the measure on the State's General Fund, local government tax resources, as well as the benefits provided to the spouses of military members who die, either during or after active duty, from injury or illness incurred during military service.

It's been a pleasure working with you. Please don't hesitate to contact us should you have further questions or concerns.

On behalf of the United Veterans Coalition State Legislative Committee,

Respectfully,

Michelle (Shelly) Kalkowski

Chair, State Legislative Committee
United Veterans Coalition of Colorado

Chris Kinnard, representing herself as a proponent:

Hi Julia,
On line 4 of the Summary and Analysis for Amendment? Should be died rather than killed.
(Not all military are killed in action, KIA, some are training accidents, other types of accidents, or death by suicide.)

Lines 17 and 18 in section: What is the current homestead exemption? are confusing.

Last Draft Comments from Interested Parties

Chris Kinnard, representing herself as a proponent (Cont.):

Suggest changing to: Surviving spouses of a deceased senior or a deceased veteran with a disability who lived in the home which had a homestead exemption, can also continue to claim the exemption.

Lines 27 of Argument Against Amendment? Reduces property taxes

Also just for your general information not all military surviving spouses receive the same benefits. Most people in the general public as well as military personnel and surviving spouses are not aware of the differences. Those pre- 911 receive less benefits than post-911. I think people forget that many of these surviving military spouses have chosen to remain in the state of Colorado. They often are the sole parent who are juggling working, raising children, finances, and just trying to survive. Why shouldn't they get the same homestead exemption as those of serving spouses of disabled veterans?

Thank you so much for working so hard on this bill.

Chris Kinnard, widow of James Edward Kinnard, KiA, Vietnam, March 7, 1969

Carina Kutch, representing herself:

As a Gold Star Spouse, I feel this is a benefit we deserve. I lost my husband, the father to our son, in 2013. His body is buried in Arlington National Cemetery. He gave his life for this country. This tax exemption would greatly help me monthly with mortgage payments as well as show other families appreciation and gratitude for their sacrifices. I still pay many other taxes that contribute to my community. Allowing me to save on property taxes for a home that was purchased with a VA loan makes a huge difference in my monthly payments. I would also greatly appreciate if it could be considered one day for spouses of the fallen to have their student loans forgiven. I needed to use student loans to finish my education in order to support myself and my son. While I was able to use the GI Bill, that did not fully cover my tuition.

In conclusion, I fully support gold star spouses being tax exempt from property taxes!

Thank You

Carina Kutch

Amendment E
Extend Homestead Exemption to Gold Star Spouses
Contact List

Interested Party	Organization Name	Email Address
		yuraochrimenko1@gmail.com
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William Alsdorf	Brighton Elks Home Inc	brightonelks1586@gmail.com
Kevin Amirehsani	Colorado OSPB	kevin.amirehsani@state.co.us
Natasha Berwick	New Era Colorado	natasha@neweracolorado.org
Jeff Bridges		jeff.bridges.senate@state.co.us
Steven Byers	CSI	steven@csinstitute.co.org
Wesley Carter	USAF Retired, Medical Service Corps.	RUSTYSILVERWINGS@GMAIL.COM
James Coleman	Office of Sen. James Coleman	colemanforcolorado@gmail.com
Nick Coltrain	Denver Post	ncoltrain@denverpost.com
Bryce Cooke	Governor's Office	bryce.cooke@state.co.us
Kyra deGruy Kennedy	Young Invincibles	kyra.degruy@younginvincibles.org
Amber Egbert		amber.egbert@state.co.us
Cathy Eslinger		Cathy.eslinger@state.co.us catherinedeslinger@gmail.com
Tim Geitner		tim.geitner.house@state.co.us
Jason Gelender		jason.gelender@state.co.us
Joan Andrew Green Turner	J. Andrew Green & Assoc., Inc.	joangreen@me.com
Bill Hanna	United Veterans Coalition	bjh@frii.com
Allison Hiltz	AARP Colorado	ahiltz@aarp.org
Josette Jaramillo	CO AFLCIO	jjaramillo@coafclcio.org
Michelle Kalkowski	United Veterans Coalition of Colorado	uvc.state.legislative@uvcoc.org
Christine Kinnard	Gold Star Wives of America, Inc.	cmkinnard@yahoo.com
Cathy Kipp	Colorado House of Representatives	cathy.kipp.house@state.co.us
Andrea Kuwik		kuwik@bellpolicy.org
Meghan Lopez	KMGH	meghan.lopez@thedenverchannel.com
Paul Lundeen		paul.lundeen.senate@state.co.us
Rich Mauro	DRCOG	rmauro@drcog.org
N. Menten	self on some issues (also a board director for the Taxpayer's Bill of Rights Foundation)	coloradoengaged@gmail.com
Dylan Mitchell	Michael Best Strategies	dsmitchell@michaelbeststrategies.com
Meredith Moon	OSPB	meredith.moon@state.co.us
Nellie Moran	Colorado State Senate	nellie.moran.senate@gmail.com
Natalie Mullis		natalie.mullis@state.co.us natmullis@gmail.com
Amber Paris	Colorado Technical University	ent.para.util@gmail.com
Hanni Raley	The Arc of Aurora	hraleay@thearcofaurora.org
Erin Reynolds		erin.reynolds@state.co.us
Corrine Rivera Fowler	The Ballot Initiative Strategy Center	corrine@ballot.org

Amendment E
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Contact List (Cont.)

Interested Party	Organization Name	Email Address
Paula Sarlls		paulasarlls@comcast.net
Julia Scanlan	Aponte & Busam Public Affairs	jscanlan@aponte-busam.com
Margaret Sebern	Gold Star Wives of America, United Vetera	msebern@comcast.net
Christian Smith	Young Invincibles	christian.smith@younginvincibles.org
Holly Stanley	Colorado Mesa University	hestanley@mavs.coloradomesa.edu
Sarah Staron	Young Invincibles	sarah.staron@younginvincibles.org
Cameron Vigil	Young Invincibles	Cameron.Vigil@younginvincibles.org
Paul Von Riesemann	CO DMVA	paul.vonriesemann@dmva.state.co.us

Amendment E
Extend Homestead Exemption to Gold Star Spouses

1 **Ballot Title:**

2 Shall there be an amendment to the Colorado constitution concerning the extension of the property
3 tax exemption for qualifying seniors and disabled veterans to the surviving spouse of a United States
4 armed forces service member who died in the line of duty or veteran whose death resulted from a
5 service-related injury or disease?

6 **Text of Measure:**

7 *Be It Resolved by the House of Representatives of the Seventy-second General Assembly of the*
8 *State of Colorado, the Senate concurring herein:*

9 **SECTION 1.** At the election held on November 3, 2020, the secretary of state shall submit to the
10 registered electors of the state the ballot title set forth in section 2 for the following amendment to the
11 state constitution:

12 In the constitution of the state of Colorado, section 3.5 of article X, **add** (l)(d) and (1.7) as follows:

13 **Section 3.5. Homestead exemption for qualifying senior citizens, disabled veterans, and**
14 **surviving spouses receiving dependency indemnity compensation - definition.** (1) For property
15 tax years commencing on or after January 1, 2002, fifty percent of the first two hundred thousand
16 dollars of actual value of residential real property, as defined by law, that, as of the assessment date,
17 is owner-occupied and is used as the primary residence of the owner-occupier shall be exempt from
18 property taxation if:

19 (d) FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2023, ONLY, THE OWNER-
20 OCCUPIER, AS OF THE ASSESSMENT DATE, IS AN ELIGIBLE SPOUSE.

21 (1.7) AS USED IN THIS SECTION, "ELIGIBLE SPOUSE" MEANS EITHER A SURVIVING SPOUSE OF A UNITED
22 STATES ARMED FORCES SERVICE MEMBER WHO DIED IN THE LINE OF DUTY AND RECEIVED A DEATH
23 GRATUITY FROM THE DEPARTMENT OF DEFENSE PURSUANT TO 10 U.S.C. SEC. 1475 ET SEQ. OR A
24 SURVIVING SPOUSE OF A VETERAN WHOSE DEATH RESULTED FROM A SERVICE-RELATED INJURY OR
25 DISEASE AS DETERMINED BY THE UNITED STATES DEPARTMENT OF VETERANS AFFAIRS IF THE SURVIVING
26 SPOUSE IS RECEIVING DEPENDENCY INDEMNITY COMPENSATION AWARDED BY THE UNITED STATES
27 DEPARTMENT OF VETERANS AFFAIRS PURSUANT TO CHAPTER 13 OF PART II OF TITLE 38 OF THE UNITED
28 STATES CODE, CHAPTERS OF PART I OF TITLE 38 OF THE UNITED STATES CODE, AND ANY OTHER
29 APPLICABLE PROVISION OF FEDERAL LAW.

30 **SECTION 2.** Each elector voting at the election may cast a vote either "Yes/For" or "No/Against" on
31 the following ballot title: "Shall there be an amendment to the Colorado constitution concerning the
32 extension of the property tax exemption for qualifying seniors and disabled veterans to the surviving
33 spouse of a United States armed forces service member who died in the line of duty or veteran
34 whose death resulted from a service-related injury or disease?"

1 **SECTION 3.** Except as otherwise provided in section 1-40-123, Colorado Revised Statutes, if at least
2 fifty-five percent of the electors voting on the ballot title vote "Yes/For", then the amendment will
3 become part of the state constitution.