

# Amendment ? : Extend Homestead Exemption to Gold Star Spouses

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

1 **Amendment ? 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 as a  
4 result of a service-related injury or disease.

5 **What Your Vote Means**

**YES**

6 A “yes” vote on  
7 Amendment ? 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 ?  
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.

1 **Summary and Analysis for Amendment ?**

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

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

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

12 Qualifying homeowners include Coloradans aged 65 or over who have lived in  
 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.

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

28 **Table 1**  
 29 **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

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

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

2 Amendment ? 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 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.

*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 ?**

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 ? 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 ? addresses an inconsistency that is  
25 unfair to surviving families.

26 **Argument Against Amendment ?**

27 1) Amendment ? 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.

1 **Fiscal Impact for Amendment ?**

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 ? will increase  
8 state spending by \$515,000 in state budget year 2023-24 to cover the  
9 reimbursements authorized in the measure.