

**Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 18-0771.01 Ed DeCecco x4216

HOUSE BILL 18-1380

HOUSE SPONSORSHIP

Weissman and Exum,

SENATE SPONSORSHIP

Kefalas,

House Committees

Public Health Care & Human Services
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE PROPERTY-RELATED EXPENSE ASSISTANCE GRANTS**
102 **FOR LOW-INCOME SENIORS AND INDIVIDUALS WITH**
103 **DISABILITIES, AND, IN CONNECTION THEREWITH, MAKING AN**
104 **APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

A low-income senior or individual with a disability is currently eligible for 2 types of annual state assistance grants administered by the department of revenue related to his or her property: A grant for their

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

HOUSE
Amended 2nd Reading
April 26, 2018

property taxes or rent paid, with the latter being deemed a tax-equivalent payment (property tax and rent assistance grant), and a grant for heat or fuel expenses (heat assistance grant). Together these are commonly known as the "PTC" rebate.

The bill expands the property tax and rent assistance grant by repealing the requirement that rent must be paid to a landlord that pays property tax. For grants claimed for 2018, the bill also increases the:

- ! Maximum property tax and rent assistance grant from \$700 to \$753;
- ! Maximum heat assistance grant from \$192 to \$206; and
- ! Flat grant amount, which is the minimum grant amount, from \$227 to \$244 for the property tax and rent assistance grant and from \$73 to \$78 for the heat assistance grant, assuming that the actual expenses exceed these amounts.

All of these increases reflect inflationary growth since 2014, and all of these amounts will continue to be adjusted annually for inflation.

Under current law, the maximum eligible income amounts and the phase-out amount are also annually adjusted for inflation, albeit without being defined as such. The amounts specified for grants claimed for 2018 are the inflation-adjusted amounts, and they will continue to be adjusted for inflation in the future.

Obsolete provisions relating to grants claimed for past years are repealed and other provisions relating to grants prior to 2018 are repealed after they become obsolete in the future.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 39-31-101, **amend**
3 (2)(a.5), (2)(c), (2.3), (3) introductory portion, (3)(b) introductory portion,
4 (4), and (5); **repeal** (2)(a) introductory portion, (2)(a)(III), (2)(b)
5 introductory portion, and (2)(b)(III); and **add** (2)(d) as follows:

6 **39-31-101. Real property tax - tax equivalent - assistance -**
7 **eligibility - applicability - definitions - repeal.** (2) A grant is the
8 amount of the general property taxes actually paid on the residence or the
9 amount of taxes actually paid on a mobile home, plus any tax-equivalent
10 payments computed pursuant to subsection (4) of this section, with
11 respect to the rent of a trailer space during the year for which the grant is

1 claimed, the amount of the specific ownership tax actually paid on a
2 trailer coach, or the amount of the tax-equivalent payments, computed
3 pursuant to subsection (4) of this section, actually made during the year
4 for which such grant is claimed, but in no event may it exceed:

5 (a) ~~In the case of an individual:~~

6 (III) ~~For grants claimed for years commencing on or after January~~
7 ~~1, 2008, but before January 1, 2014, six hundred dollars reduced by ten~~
8 ~~percent of the amount by which the individual's income exceeds six~~
9 ~~thousand dollars in 2008, and, each year thereafter, the amount for the~~
10 ~~prior year adjusted for inflation.~~

11 (a.5) (I) Except as set forth in subsection (2.3) of this section, for
12 grants claimed for years commencing on or after January 1, 2014, BUT
13 BEFORE JANUARY 1, 2018, in the case of an individual whose income is
14 less than or equal to twelve thousand seven hundred twenty dollars, seven
15 hundred dollars reduced by ten percent of the amount by which the
16 individual's income exceeds six thousand six hundred thirty-nine dollars
17 or two hundred twenty-seven dollars, whichever amount is greater.

18 (II) THIS SUBSECTION (2)(a.5) IS REPEALED, EFFECTIVE JULY 1,
19 2020.

20 (b) ~~In the case of spouses:~~

21 (III) ~~For grants claimed for years commencing on or after January~~
22 ~~1, 2008, but before January 1, 2014, six hundred dollars reduced by ten~~
23 ~~percent of their income over nine thousand seven hundred dollars in 2008,~~
24 ~~and, each year thereafter, the amount for the prior year adjusted for~~
25 ~~inflation.~~

26 (c) (I) Except as set forth in subsection (2.3) of this section, for
27 grants claimed for years commencing on or after January 1, 2014, BUT

1 BEFORE JANUARY 1, 2018, in the case of spouses whose income is less
2 than or equal to seventeen thousand one hundred forty-six dollars, seven
3 hundred dollars reduced by ten percent of their income over ten thousand
4 seven hundred thirty-one dollars, or two hundred twenty-seven dollars,
5 whichever amount is greater.

6 (II) THIS SUBSECTION (2)(c) IS REPEALED, EFFECTIVE JULY 1, 2020.

7 (d) FOR A GRANT CLAIMED FOR THE 2018 CALENDAR YEAR, EITHER
8 SEVEN HUNDRED FIFTY-THREE DOLLARS REDUCED BY TEN PERCENT OF THE
9 CLAIMANT'S INCOME OVER THE PHASE-OUT AMOUNT OR THE FLAT GRANT
10 AMOUNT, WHICHEVER AMOUNT IS GREATER. FOR A GRANT CLAIMED FOR
11 YEARS COMMENCING ON OR AFTER JANUARY 1, 2019, EITHER THE
12 MAXIMUM GRANT AMOUNT ALLOWED UNDER THIS SUBSECTION (2)(d) FOR
13 THE PRIOR YEAR, ADJUSTED FOR INFLATION AND REDUCED BY TEN
14 PERCENT OF THE CLAIMANT'S INCOME OVER THE PHASE-OUT AMOUNT, OR
15 THE FLAT GRANT AMOUNT, WHICHEVER AMOUNT IS GREATER.

16 (2.3) (I) For grants claimed for years commencing on or after
17 January 1, 2015, BUT PRIOR TO JANUARY 1, 2018, the income thresholds
18 used to determine the eligibility for and amount of a grant pursuant to
19 subsection (2) of this section are equal to the income thresholds for the
20 prior year adjusted for inflation.

21 (II) THIS SUBSECTION (2.3) IS REPEALED, EFFECTIVE JULY 1, 2020.

22 (3) Such grant ~~shall be~~ IS allowed to such persons as described in
23 subsection (1) of this section who meet the following requirements:

24 (b) Have income from all sources for the taxable year of less than
25 the maximum ELIGIBLE INCOME amount, ~~for which such persons are~~
26 ~~eligible to receive a grant based on the operation of paragraphs (a), (a.5),~~
27 ~~(b), and (c) of subsection (2) of this section, including~~ WHICH INCLUDES,

1 but IS not limited to, for this purpose, alimony, support money, cash
2 public assistance and relief, pension or annuity benefits, federal social
3 security benefits, veterans' benefits, nontaxable interest, workers'
4 compensation, and unemployment compensation benefits. For the
5 purposes of this ~~paragraph (b)~~ SUBSECTION (3)(b), the following ~~shall~~ ARE
6 not ~~be~~ considered income:

7 (4) (a) The tax-equivalent amount for persons otherwise qualified
8 who paid rent for the right to occupy premises ~~upon which ad valorem~~
9 ~~taxes were levied~~, as a residence during the taxable year ~~shall be~~
10 ~~considered as~~ IS twenty percent of the actual rent paid during the taxable
11 year, not including any charge for utilities or food.

12 (b) To qualify as a tax-equivalent payment, rent must have been
13 paid as a part of a bona fide tenancy or leasing agreement and shall not
14 include any portion of payments made to institutions or facilities
15 commonly known as nursing homes. ~~but shall include rent paid to a~~
16 ~~public housing authority and rent paid for the use of a mobile home or~~
17 ~~paid on trailer space if paid as a part of a bona fide tenancy.~~

18 (5) As used in this section:

19 (a) "FLAT GRANT AMOUNT" MEANS AN AMOUNT EQUAL TO TWO
20 HUNDRED FORTY-FOUR DOLLARS FOR THE 2018 CALENDAR YEAR, AND FOR
21 EACH YEAR THEREAFTER THE AMOUNT FOR THE PRIOR YEAR ADJUSTED FOR
22 INFLATION.

23 (b) "Inflation" means the annual percentage change in the United
24 States department of labor, bureau of labor statistics, consumer price
25 index for ~~Denver-Boulder-Greeley~~, DENVER-AURORA-LAKEWOOD FOR
26 all items AND all urban consumers, or its successor index.

27 (c) "MAXIMUM ELIGIBLE INCOME AMOUNT" MEANS:

1 (I) FOR AN INDIVIDUAL, INCOME THAT IS LESS THAN OR EQUAL TO
2 FOURTEEN THOUSAND SIX HUNDRED EIGHT DOLLARS FOR THE 2018
3 CALENDAR YEAR AND FOR EACH YEAR THEREAFTER, THE AMOUNT FOR THE
4 PRIOR YEAR ADJUSTED FOR INFLATION; AND

5 (II) FOR SPOUSES, INCOME THAT IS LESS THAN OR EQUAL TO
6 EIGHTEEN THOUSAND NINE HUNDRED SIXTY-FOUR DOLLARS FOR THE 2018
7 CALENDAR YEAR AND FOR EACH YEAR THEREAFTER, THE AMOUNT FOR THE
8 PRIOR YEAR ADJUSTED FOR INFLATION.

9 (d) "PHASE-OUT AMOUNT" MEANS:

10 (I) IN THE CASE OF AN INDIVIDUAL, AN AMOUNT EQUAL TO SEVEN
11 THOUSAND ONE HUNDRED THIRTY-SEVEN DOLLARS FOR THE 2018
12 CALENDAR YEAR AND FOR EACH YEAR THEREAFTER, THE AMOUNT FOR THE
13 PRIOR YEAR ADJUSTED FOR INFLATION; AND

14 (II) IN THE CASE OF SPOUSES, AN AMOUNT EQUAL TO ELEVEN
15 THOUSAND FIVE HUNDRED THIRTY-EIGHT DOLLARS FOR THE 2018
16 CALENDAR YEAR AND FOR EACH YEAR THEREAFTER, THE AMOUNT FOR THE
17 PRIOR YEAR ADJUSTED FOR INFLATION.

18 **SECTION 2.** In Colorado Revised Statutes, 39-31-102, **amend**
19 (4) as follows:

20 **39-31-102. Procedures to obtain grant - department of revenue**
21 **- responsibilities.** (4) ~~The property tax assistance~~ A GRANT AUTHORIZED
22 BY SECTION 39-31-101 THAT IS CLAIMED FOR GENERAL PROPERTY TAXES
23 shall ~~in no case~~ NOT exceed the amount of the ~~general property~~ taxes
24 actually paid. A grant for property taxes or tax-equivalent amounts paid
25 under section 39-31-101 shall not be made unless properly claimed on or
26 before the expiration of twenty-four months after the end of the income
27 tax year during which such taxes or tax-equivalent amounts were actually

1 paid.

2 **SECTION 3.** In Colorado Revised Statutes, 39-31-104, **amend**
3 (1)(a)(II), (2) introductory portion, (2)(a.5), (2)(c), (2.3), (3) introductory
4 portion, (3)(b) introductory portion, and (4); **repeal** (2)(a) introductory
5 portion, (2)(a)(III), (2)(b) introductory portion, and (2)(b)(III); and **add**
6 (2)(d) as follows:

7 **39-31-104. Heat or fuel expenses assistance - eligibility -**
8 **applicability - definitions - repeal.** (1) (a) (II) For persons otherwise
9 qualified who paid heat or fuel expenses indirectly as part of their rental
10 payments, it shall be presumed that ten percent of the actual rent paid
11 during the taxable year was for heat or fuel expenses. For rental payments
12 to qualify under this ~~subparagraph (II)~~ SUBSECTION (1)(a)(II), they must
13 have been paid as a part of a bona fide tenancy or lease agreement. Rental
14 payments made to institutions or facilities commonly known as nursing
15 homes shall not qualify. ~~but rental payments made to a public housing~~
16 ~~authority or for the use of a mobile home shall qualify if paid as a part of~~
17 ~~a bona fide tenancy or lease agreement.~~

18 (2) The AMOUNT OF THE grant ~~shall be as follows~~ IS:

19 (a) ~~In the case of an individual:~~

20 (III) ~~For grants claimed for years commencing on or after January~~
21 ~~1, 2008, but before January 1, 2014, one hundred ninety-two dollars~~
22 ~~reduced by three and two-tenths percent of the amount by which the~~
23 ~~individual's income exceeds six thousand dollars in 2008, and, each year~~
24 ~~thereafter, the amount for the prior year adjusted for inflation.~~

25 (a.5) (I) Except as set forth in subsection (2.3) of this section, for
26 grants claimed for years commencing on or after January 1, 2014, BUT
27 BEFORE JANUARY 1, 2018, in the case of an individual whose income is

1 less than or equal TO twelve thousand seven hundred twenty dollars, one
2 hundred ninety-two dollars reduced by three and two-tenths percent of the
3 amount by which the individual's income exceeds six thousand six
4 hundred thirty-nine dollars or seventy-three dollars, whichever amount is
5 greater.

6 (II) THIS SUBSECTION (2)(a.5) IS REPEALED, EFFECTIVE JULY 1,
7 2020.

8 (b) ~~In the case of spouses:~~

9 ~~(III) For grants claimed for years commencing on or after January~~
10 ~~1, 2008, but before January 1, 2014, one hundred ninety-two dollars~~
11 ~~reduced by three and two-tenths percent of their income over nine~~
12 ~~thousand seven hundred dollars in 2008, and, each year thereafter, the~~
13 ~~amount for the prior year adjusted for inflation.~~

14 (c) (I) Except as set forth in subsection (2.3) of this section, for
15 grants claimed for years commencing on or after January 1, 2014, BUT
16 BEFORE JANUARY 1, 2018, in the case of spouses whose income is less
17 than or equal to seventeen thousand one hundred forty-six dollars, one
18 hundred ninety-two dollars reduced by three and two-tenths percent of
19 their income over ten thousand seven hundred thirty-one dollars or
20 seventy-three dollars, whichever amount is greater.

21 (II) THIS SUBSECTION (2)(c) IS REPEALED, EFFECTIVE JULY 1, 2020.

22 (d) FOR A GRANT CLAIMED FOR THE 2018 CALENDAR YEAR, EITHER
23 TWO HUNDRED SIX DOLLARS REDUCED BY TEN PERCENT OF THE
24 CLAIMANT'S INCOME OVER THE PHASE-OUT AMOUNT OR THE FLAT GRANT
25 AMOUNT, WHICHEVER AMOUNT IS GREATER. FOR A GRANT CLAIMED FOR
26 YEARS COMMENCING ON OR AFTER JANUARY 1, 2019, EITHER THE
27 MAXIMUM GRANT AMOUNT ALLOWED UNDER THIS SUBSECTION (2)(d) FOR

1 THE PRIOR YEAR, ADJUSTED FOR INFLATION AND REDUCED BY TEN
2 PERCENT OF THE CLAIMANT'S INCOME OVER THE PHASE-OUT AMOUNT, OR
3 THE FLAT GRANT AMOUNT, WHICHEVER AMOUNT IS GREATER.

4 (2.3) (I) For grants claimed for years commencing on or after
5 January 1, 2015, BUT PRIOR TO JANUARY 1, 2018, the income thresholds
6 used to determine the eligibility for and amount of a grant pursuant to
7 subsection (2) of this section are equal to the income thresholds for the
8 prior year adjusted for inflation.

9 (II) THIS SUBSECTION (2.3) IS REPEALED, EFFECTIVE JULY 1, 2020.

10 (3) Such grant ~~shall be~~ IS allowed to such persons as described in
11 subsection (1) of this section who meet the following requirements:

12 (b) Have income from all sources for the taxable year of less than
13 the maximum ELIGIBLE INCOME amount, ~~for which such persons are~~
14 ~~eligible to receive a grant based on the operation of paragraphs (a), (a.5),~~
15 ~~(b), and (c) of subsection (2) of this section, including~~ WHICH INCLUDES,
16 but IS not limited to, for this purpose, alimony, support money, cash
17 public assistance and relief, pension or annuity benefits, federal social
18 security benefits, veterans' benefits, nontaxable interest, workers'
19 compensation, and unemployment compensation benefits. For the
20 purposes of this ~~paragraph (b)~~ SUBSECTION (3)(b), the following ~~shall~~ ARE
21 not ~~be~~ considered income:

22 (4) As used in this section:

23 (a) "FLAT GRANT AMOUNT" MEANS AN AMOUNT EQUAL TO
24 SEVENTY-EIGHT DOLLARS FOR THE 2018 CALENDAR YEAR, AND FOR EACH
25 YEAR THEREAFTER THE AMOUNT FOR THE PRIOR YEAR ADJUSTED FOR
26 INFLATION.

27 (b) "Inflation" means the annual percentage change in the United

1 States department of labor, bureau of labor statistics, consumer price
2 index for ~~Denver-Boulder-Greeley~~, DENVER-AURORA-LAKEWOOD FOR
3 all items AND all urban consumers, or its successor index.

4 (c) "MAXIMUM ELIGIBLE INCOME AMOUNT" HAS THE SAME
5 MEANING AS SET FORTH IN SECTION 39-31-101 (5)(c).

6 (d) "PHASE-OUT AMOUNT" HAS THE SAME MEANING AS SET FORTH
7 IN SECTION 39-31-101 (5)(d).

8 **SECTION 4. Appropriation.** (1) For the 2018-19 state fiscal
9 year, \$24,847 is appropriated to the department of revenue. This
10 appropriation is from the general fund. To implement this act, the
11 department may use this appropriation as follows:

12 (a) \$10,467 for use by the executive director's office for personal
13 services;

14 (b) \$13,180 for tax administration IT system (GenTax) support;
15 and

16 (c) \$1,200 for the purchase of document management services.

17 (2) For the 2018-19 state fiscal year, \$1,200 is appropriated to the
18 department of personnel. This appropriation is from reappropriated funds
19 received from the department of revenue under subsection (1)(c) of this
20 section. To implement this act, the department of personnel may use this
21 appropriation to provide document management services for the
22 department of revenue.

23 **SECTION 5. Act subject to petition - effective date.** This act
24 takes effect at 12:01 a.m. on the day following the expiration of the
25 ninety-day period after final adjournment of the general assembly (August
26 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
27 referendum petition is filed pursuant to section 1 (3) of article V of the

1 state constitution against this act or an item, section, or part of this act
2 within such period, then the act, item, section, or part will not take effect
3 unless approved by the people at the general election to be held in
4 November 2018 and, in such case, will take effect on the date of the
5 official declaration of the vote thereon by the governor.