

First Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 21-0525.02 Jason Gelender x4330

HOUSE BILL 21-1079

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HOUSE SPONSORSHIP

Sandridge,

SENATE SPONSORSHIP

(None),

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House Committees

State, Civic, Military and Veterans Affairs  
Finance  
Appropriations

Senate Committees

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A BILL FOR AN ACT

101      **CONCERNING THE PROPERTY TAX EXEMPTION FOR VETERANS WITH A**  
102            **DISABILITY, AND, IN CONNECTION THEREWITH, INCREASING THE**  
103            **MAXIMUM AMOUNT OF ACTUAL VALUE OF THE**  
104            **OWNER-OCCUPIED PRIMARY RESIDENCE OF A QUALIFYING**  
105            **VETERAN WITH A DISABILITY THAT IS PARTLY EXEMPT FROM**  
106            **PROPERTY TAXATION.**

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**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>.)*

The Colorado constitution allows a veteran who has a

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.

service-connected disability rated as a 100% permanent disability to claim a property tax exemption for 50% of the first \$200,000 of actual value of the veteran's owner-occupied primary residence. The general assembly may enact legislation to raise or lower the \$200,000 actual value limit but the 100% permanent disability requirement can only be changed through a constitutional amendment.

For property tax years commencing on and after January 1, 2021, the bill increases from \$200,000 to \$300,000 the maximum amount of actual value of the owner-occupied primary residence of an eligible veteran with a disability of which 50% is exempt from property taxation. If at the 2022 general election the voters of the state approve a proposed constitutional amendment to make more veterans eligible for the exemption by allowing veterans who have a service-connected disability rated as a 50% or greater to claim the exemption, the bill makes a conforming statutory amendment to reflect the expansion of the exemption for property tax years commencing on or after January 1, 2023.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-3-201, **amend**  
3 (1)(a) as follows:

4 **39-3-201. Legislative declaration.** (1) The general assembly  
5 hereby finds and declares that:

6 (a) Section 3.5 of article X of the state constitution, which was  
7 approved by the registered electors of the state at the 2000 general  
8 election and amended by the registered electors of the state at the 2006  
9 general election, provides property tax exemptions for qualifying seniors  
10 and qualifying ~~disabled veterans~~ "DISABLED VETERANS", DEFINED, IN  
11 ACCORDANCE WITH THE REQUIREMENTS OF SECTION 2-2-208, IN SECTION  
12 39-3-202 (3.5) AS "QUALIFYING VETERANS WITH A DISABILITY" FOR  
13 PURPOSES OF THIS PART 2;

14 **SECTION 2.** In Colorado Revised Statutes, 39-3-202, **amend**  
15 (1.5) and (3.5) as follows:

16 **39-3-202. Definitions.** As used in this part 2, unless the context

1 otherwise requires:

2 (1.5) "Exemption" means the property tax exemptions for  
3 qualifying seniors and qualifying ~~disabled~~ veterans WITH A DISABILITY  
4 allowed by section 39-3-203.

5 (3.5) "Qualifying ~~disabled~~ veteran WITH A DISABILITY" means an  
6 individual who has served on active duty in the United States armed  
7 forces, including a member of the Colorado National Guard who has been  
8 ordered into the active military service of the United States, has been  
9 separated therefrom under honorable conditions, and has established a  
10 service-connected disability that has been rated by the federal department  
11 of veterans affairs as ~~a one hundred~~ AT LEAST A FIFTY percent permanent  
12 disability through disability retirement benefits pursuant to a law or  
13 regulation administered by the department, the United States department  
14 of homeland security, or the department of the Army, Navy, or Air Force.

15 **SECTION 3.** In Colorado Revised Statutes, 39-3-202, **amend**  
16 (1.5) and (3.5) as follows:

17 **39-3-202. Definitions.** As used in this part 2, unless the context  
18 otherwise requires:

19 (1.5) "Exemption" means the property tax exemptions for  
20 qualifying seniors and qualifying ~~disabled~~ veterans WITH A DISABILITY  
21 allowed by section 39-3-203.

22 (3.5) "Qualifying ~~disabled~~ veteran WITH A DISABILITY" means an  
23 individual who has served on active duty in the United States armed  
24 forces, including a member of the Colorado National Guard who has been  
25 ordered into the active military service of the United States, has been  
26 separated therefrom under honorable conditions, and has established a  
27 service-connected disability that has been rated by the federal department

1 of veterans affairs as a one hundred percent permanent disability through  
2 disability retirement benefits pursuant to a law or regulation administered  
3 by the department, the United States department of homeland security, or  
4 the department of the Army, Navy, or Air Force.

5 **SECTION 4.** In Colorado Revised Statutes, 39-3-203, **amend**  
6 (1.5)(a) introductory portion and (1.5)(a.5) as follows:

7 **39-3-203. Property tax exemption - qualifications.** (1.5)(a) For  
8 property tax years commencing on or after January 1, 2007, BUT BEFORE  
9 JANUARY 1, 2021, fifty percent of the first two hundred thousand dollars  
10 of actual value of residential real property that as of the assessment date  
11 is owner-occupied and is used as the primary residence of an  
12 owner-occupier who is a qualifying ~~disabled veteran shall be~~ VETERAN  
13 WITH A DISABILITY IS exempt from taxation, AND FOR PROPERTY TAX  
14 YEARS COMMENCING ON OR AFTER JANUARY 1, 2021, FIFTY PERCENT OF  
15 THE FIRST THREE HUNDRED THOUSAND DOLLARS OF ACTUAL VALUE OF  
16 RESIDENTIAL REAL PROPERTY THAT AS OF THE ASSESSMENT DATE IS  
17 OWNER-OCCUPIED AND IS USED AS THE PRIMARY RESIDENCE OF AN  
18 OWNER-OCCUPIER WHO IS A QUALIFYING VETERAN WITH A DISABILITY IS  
19 EXEMPT FROM TAXATION, if:

20 (a.5) For property tax years commencing on or after January 1,  
21 2015, BUT BEFORE JANUARY 1, 2021, fifty percent of the first two hundred  
22 thousand dollars of actual value of residential real property that as of the  
23 assessment date is owner-occupied and is used as the primary residence  
24 of an owner-occupier who is the surviving spouse of a qualifying ~~disabled~~  
25 veteran WITH A DISABILITY who previously received an exemption under  
26 ~~paragraph (a) of this subsection (1.5)~~ SUBSECTION (1.5)(a) OF THIS  
27 SECTION is exempt from taxation, AND FOR PROPERTY TAX YEARS

1 COMMENCING ON OR AFTER JANUARY 1, 2021, FIFTY PERCENT OF THE  
2 FIRST THREE HUNDRED THOUSAND DOLLARS OF ACTUAL VALUE OF  
3 RESIDENTIAL REAL PROPERTY THAT AS OF THE ASSESSMENT DATE IS  
4 OWNER-OCCUPIED AND IS USED AS THE PRIMARY RESIDENCE OF AN  
5 OWNER-OCCUPIER WHO IS THE SURVIVING SPOUSE OF A QUALIFYING  
6 VETERAN WITH A DISABILITY WHO PREVIOUSLY RECEIVED AN EXEMPTION  
7 UNDER SUBSECTION (1.5)(a) OF THIS SECTION IS EXEMPT FROM TAXATION.

8 **SECTION 5.** In Colorado Revised Statutes, **amend** 39-3-204 as  
9 follows:

10 **39-3-204. Notice of property tax exemption.** No later than May  
11 1, 2013, and no later than May 1 of each year thereafter in which an  
12 assessor sends a notice of valuation pursuant to section 39-5-121 (1)(a)  
13 that is not included with the tax bill, each assessor shall mail to each  
14 residential real property address in the assessor's county notice of the  
15 exemption allowed by section 39-3-203 (1). As soon as practicable after  
16 January 1, 2014, and as soon as practicable after January 1 of each year  
17 thereafter, each county treasurer shall, at the treasurer's discretion, mail  
18 or electronically send to each person whose name appears on the tax list  
19 and warrant as an owner of residential real property notice of the  
20 exemption allowed by section 39-3-203 (1). The treasurer must mail or  
21 electronically send the notice in each year on or before the date on which  
22 the treasurer mails the property tax statement for the previous property tax  
23 year pursuant to section 39-10-103. No later than May 1, 2008, and no  
24 later than each May 1 thereafter, each assessor also shall mail to each  
25 residential property address in the assessor's county notice of the  
26 exemption allowed by section 39-3-203 (1.5). No later than May 1, 2007,  
27 the division shall mail to the residential property address of each person

1 residing in the state who the division believes is a qualifying ~~disabled~~  
2 veteran WITH A DISABILITY notice of the exemption allowed by section  
3 39-3-203 (1.5) for the 2007 property tax year. However, the sending of  
4 notice to a person by the division does not constitute a determination by  
5 the division that the person sent notice is entitled to an exemption. The  
6 notice shall be in a form prescribed by the administrator, who shall  
7 consult with the division before prescribing the form of the notice of the  
8 exemption allowed by section 39-3-203 (1.5), and shall include a  
9 statement of the eligibility criteria for the exemptions and instructions for  
10 obtaining an exemption application. To reduce mailing costs, an assessor  
11 may coordinate with the treasurer of the same county to include notice  
12 with the tax statement for the previous property tax year mailed pursuant  
13 to section 39-10-103 or may include notice with the notice of valuation  
14 mailed pursuant to section 39-5-121 (1)(a).

15 **SECTION 6.** In Colorado Revised Statutes, 39-3-205, **amend**  
16 (2.5) as follows:

17 **39-3-205. Exemption applications - penalty for providing false**  
18 **information - confidentiality.** (2.5) For the purpose of verifying the  
19 eligibility of each applicant for the exemption allowed to qualifying  
20 ~~disabled~~ veterans WITH A DISABILITY under section 39-3-203 (1.5)  
21 efficiently and with minimal inconvenience to each applicant, the division  
22 shall determine whether an applicant for the exemption is a qualifying  
23 ~~disabled~~ veteran WITH A DISABILITY. With respect to any application  
24 timely filed by July 1 pursuant to ~~paragraph (b) of subsection (1)~~  
25 SUBSECTION (1)(b) of this section, the division shall, if possible,  
26 determine whether the applicant is a qualifying ~~disabled~~ veteran WITH A  
27 DISABILITY and send notice of its determination to the applicant on or

1 before the immediately succeeding August 1. If the division determines  
2 that the applicant is a qualifying ~~disabled~~ veteran WITH A DISABILITY, it  
3 shall also send notice of its determination and a copy of the exemption  
4 application to the assessor for the county where the property is located.  
5 If the division is unable to determine whether the applicant is a qualifying  
6 ~~disabled~~ veteran WITH A DISABILITY on or before said August 1, it shall  
7 send preliminary notice to both the applicant and the assessor that its  
8 determination is pending and shall follow up the preliminary notice by  
9 sending final notice of its ultimate determination to the applicant and,  
10 together with a copy of the exemption application, to the assessor as soon  
11 as possible thereafter.

12 **SECTION 7.** In Colorado Revised Statutes, 39-3-206, **amend**  
13 (1.5), (2)(a), and (2)(a.7) as follows:

14 **39-3-206. Notice to individuals returning incomplete or**  
15 **nonqualifying exemption applications - denial of exemption -**  
16 **administrative remedies.** (1.5) (a) Except as otherwise provided in  
17 ~~paragraph (a.7) of subsection (2)~~ SUBSECTION (2)(a.7) of this section, the  
18 division shall only accept an application for the exemption allowed to  
19 qualifying ~~disabled~~ veterans WITH A DISABILITY under section 39-3-203  
20 (1.5) if the applicant timely returned the exemption application in  
21 accordance with section 39-3-205 (1)(b), and an assessor shall only grant  
22 the exemption if the division verifies that the applicant is a qualified  
23 ~~disabled~~ veteran WITH A DISABILITY and the exemption application  
24 forwarded by the division to the assessor pursuant to section 39-3-205  
25 (2.5) establishes that the applicant meets the other requirements to be  
26 entitled to the exemption.

27 (b) If the information provided on or with an application for the

1 exemption allowed to qualifying ~~disabled~~ veterans WITH A DISABILITY  
2 under section 39-3-203 (1.5) that is forwarded by the division to an  
3 assessor pursuant to section 39-3-205 (2.5) indicates that the applicant is  
4 not entitled to the exemption, or is insufficient to allow the assessor to  
5 determine whether or not the applicant is entitled to the exemption, the  
6 assessor shall deny the application and mail to the applicant a statement  
7 providing the reasons for the denial and informing the applicant of the  
8 applicant's right to contest the denial pursuant to subsection (2) of this  
9 section. The assessor shall mail the statement no later than August 1 of  
10 the property tax year for which the exemption application was filed.

11 (2) (a) An applicant whose exemption application has been denied  
12 pursuant to ~~paragraph (b) of subsection (1) or paragraph (b) of subsection~~  
13 ~~(1.5) SUBSECTION (1)(b) OR (1.5)(b)~~ of this section may contest the denial  
14 by requesting a hearing before the county commissioners sitting as the  
15 county board of equalization no later than August 15 of the property tax  
16 year for which the exemption application was filed. The hearing shall be  
17 held on or after August 1 and no later than September 1 of the property  
18 tax year for which the exemption application was filed, and the decision  
19 of the county board of equalization is not subject to further administrative  
20 appeal by either the applicant or the assessor. An applicant may not  
21 contest a determination by the division that the applicant is not a  
22 qualifying ~~disabled~~ veteran WITH A DISABILITY at a hearing requested  
23 pursuant to this ~~paragraph (a)~~ SUBSECTION (2)(a).

24 (a.7) An individual who wishes to claim the exemption for  
25 qualifying ~~disabled~~ veterans WITH A DISABILITY allowed by section  
26 39-3-203 (1.5), but who has not timely filed an exemption application  
27 with the division, may request that the division waive the application



1 deadline and allow the individual to file a late exemption application no  
2 later than the August 1 that immediately follows the original application  
3 deadline. The division may accept an application if, in the division's sole  
4 discretion, the applicant shows good cause for not timely filing an  
5 application. If the division accepts a late application, it shall determine  
6 whether the applicant is a qualifying ~~disabled~~ veteran WITH A DISABILITY  
7 and shall mail notice of its determination to the applicant no later than the  
8 August 25 that immediately follows the late application deadline. If the  
9 division determines that a veteran is a qualifying ~~disabled~~ veteran WITH  
10 A DISABILITY, it shall mail a copy of the notice of its determination to the  
11 assessor for the county in which the property for which the applicant has  
12 claimed the exemption is located and shall include with the notice a copy  
13 of the applicant's exemption application. The assessor shall grant an  
14 exemption if the notice and application forwarded by the division to the  
15 assessor establish that the applicant is entitled to the exemption. A  
16 decision of the division to allow or disallow the filing of a late application  
17 or of an assessor to grant or deny an exemption to an applicant who has  
18 filed a late application is final, and an applicant who is denied late filing  
19 or an exemption may not contest the denial.

20 **SECTION 8.** In Colorado Revised Statutes, 25-2-103, **amend**  
21 (4.5) as follows:

22 **25-2-103. Centralized registration system for all vital statistics**  
23 **- appointment of registrar - rules.** (4.5) Notwithstanding any other  
24 provision of law that limits the sharing of vital statistics, after receiving  
25 the list of names and social security numbers of individuals who received  
26 property tax exemptions as either qualifying seniors or ~~disabled~~  
27 QUALIFYING veterans WITH A DISABILITY for the prior year that is provided

1 by the property tax administrator pursuant to section 39-3-207, ~~C.R.S.~~, the  
2 state registrar shall identify all individuals on the list who have died and  
3 transmit a list of the names and social security numbers of such  
4 individuals to the administrator.

5 **SECTION 9.** In Colorado Revised Statutes, 39-21-113, **amend**  
6 (24) as follows:

7 **39-21-113. Reports and returns - rule.** (24) Notwithstanding  
8 any other provision of this section, the executive director, after receiving  
9 from the property tax administrator a list of individuals who are claiming  
10 the property tax exemptions for qualifying seniors and ~~disabled~~  
11 QUALIFYING veterans WITH A DISABILITY allowed under part 2 of article  
12 3 of this ~~title~~ TITLE 39, shall provide to the property tax administrator  
13 information pertaining to the listed individuals, including their names,  
14 social security numbers, marital and income tax filing status, and  
15 residency status, needed by the administrator to verify that the exemption  
16 is allowed only to applicants who satisfy legal requirements for claiming  
17 it. The administrator and the administrator's agents, clerks, and employees  
18 shall keep all information received from the executive director  
19 confidential, and any individual who fails to do so is guilty of a  
20 misdemeanor and subject to punishment as specified in subsection (6) of  
21 this section.

22 **SECTION 10. Act subject to petition - effective date -**  
23 **applicability.** (1) Except as otherwise provided in subsection (2) of this  
24 section, this act takes effect at 12:01 a.m. on the day following the  
25 expiration of the ninety-day period after final adjournment of the general  
26 assembly; except that, if a referendum petition is filed pursuant to section  
27 1 (3) of article V of the state constitution against this act or an item,

1 section, or part of this act within such period, then the act, item, section,  
2 or part will not take effect unless approved by the people at the general  
3 election to be held in November 2022 and, in such case, will take effect  
4 on the date of the official declaration of the vote thereon by the governor.

5 (2) Section 2 of this act takes effect only if a constitutional  
6 amendment to section 3.5 (1.5) of article X of the Colorado constitution  
7 that modifies the definition of "disabled veteran" by changing the term to  
8 "veteran with a disability" and including a veteran who has a  
9 service-connected disability that has been rated as at least a fifty percent  
10 permanent disability is approved by the people at the next general election  
11 and becomes law, and, in such case, section 2 of this act takes effect on  
12 the date of the official declaration of the vote thereon by the governor,  
13 and the amendment made to section 39-3-202 (3.5) by section 2 of this act  
14 applies to property tax years commencing on and after January 1, 2023.