

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 22-0681.01 Jason Gelender x4330

SENATE BILL 22-093

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A BILL FOR AN ACT

101 CONCERNING EXPANSION OF EXISTING PROPERTY TAX EXEMPTIONS
102 FOR CERTAIN OWNER-OCCUPIED PRIMARY RESIDENCES, AND, IN
103 CONNECTION THEREWITH, INCREASING THE EXEMPT AMOUNT
104 OF ACTUAL VALUE OF THE OWNER-OCCUPIED PRIMARY
105 RESIDENCE OF A QUALIFYING SENIOR OR VETERAN WITH A
106 DISABILITY AND PRESERVING THE EXEMPTION OF A SENIOR WHO
107 CHANGES PRIMARY RESIDENCES DUE TO MEDICAL NECESSITY.

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>.)

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.

For property tax years commencing on or after January 1, 2022, the bill:

- Increases the maximum amount of actual value of the owner-occupied residence of a qualifying senior or veteran with a disability that is exempt from property taxation from \$200,000 to \$400,000; and
- Specifies that a senior is deemed to be a 10-year owner-occupier of a primary residence that the senior has owned and occupied for less than 10 years and therefore qualifies for the senior property tax exemption for the residence if:
 - The senior would have qualified for the senior property tax exemption for the senior's former primary residence but for the fact that medical necessity required the senior to stop occupying the former primary residence;
 - The senior has not previously received the exemption for a former primary residence on the basis of medical necessity; and
 - The senior has not owned and occupied another primary residence since the senior first stopped occupying his or her former primary residence due to medical necessity.

"Medical necessity" is defined as a medical condition of a senior that a physician licensed to practice medicine in Colorado has certified, on a form developed by the state property tax administrator, as having required the senior to stop occupying the senior's prior primary residence.

When applying for an exemption on the basis of medical necessity, a senior must provide the form establishing proof of medical necessity.

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

1 general election, provides property tax exemptions for qualifying seniors
2 and qualifying disabled veterans. IN ACCORDANCE WITH THE PEOPLE FIRST
3 LANGUAGE REQUIREMENTS OF SECTION 2-2-802, SECTION 39-3-202 (3.5)
4 DEFINES THE TERM "QUALIFYING VETERAN WITH A DISABILITY" FOR
5 PURPOSES OF THIS PART 2 SO THAT THE TERM HAS THE SAME MEANING AS
6 THE CONSTITUTIONALLY DEFINED TERM "DISABLED VETERAN".

7 **SECTION 2.** In Colorado Revised Statutes, 39-3-202, **amend**
8 (1.5) and (3.5) as follows:

9 **39-3-202. Definitions.** As used in this part 2, unless the context
10 otherwise requires:

11 (1.5) "Exemption" means the property tax exemptions for
12 qualifying seniors and qualifying ~~disabled~~ veterans WITH A DISABILITY
13 allowed by section 39-3-203.

14 (3.5) "Qualifying ~~disabled~~ veteran WITH A DISABILITY" means an
15 individual who has served on active duty in the United States armed
16 forces, including a member of the Colorado National Guard who has been
17 ordered into the active military service of the United States, has been
18 separated therefrom under honorable conditions, and has established a
19 service-connected disability that has been rated by the federal department
20 of veterans affairs as a one hundred percent permanent disability through
21 disability retirement benefits pursuant to a law or regulation administered
22 by the department, the United States department of homeland security, or
23 the department of the Army, Navy, or Air Force.

24 **SECTION 3.** In Colorado Revised Statutes, 39-3-203, **amend** (1)
25 introductory portion, (1.5)(a) introductory portion, (1.5)(a.5), (6)(a)
26 introductory portion, (6)(a)(I.5), and (6)(a)(II); and **add** (6)(a)(I.7) as
27 follows:

1 **39-3-203. Property tax exemption - qualifications - definition.**

2 (1) For the property tax year commencing January 1, 2002, for property
3 tax years commencing on or after January 1, 2006, but before January 1,
4 2009, and for property tax years commencing on or after January 1, 2012,
5 BUT BEFORE JANUARY 1, 2022, fifty percent of the first two hundred
6 thousand dollars of actual value of residential real property that as of the
7 assessment date is owner-occupied and is used as the primary residence
8 of the owner-occupier shall be exempt from taxation, ~~and~~ for property tax
9 years commencing on or after January 1, 2003, but before January 1,
10 2006, and on or after January 1, 2009, but before January 1, 2012, fifty
11 percent of zero dollars of actual value of residential real property that as
12 of the assessment date is owner-occupied and is used as the primary
13 residence of the owner-occupier shall be exempt from taxation, AND FOR
14 PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2022, FIFTY
15 PERCENT OF THE FIRST FOUR HUNDRED THOUSAND DOLLARS OF ACTUAL
16 VALUE OF RESIDENTIAL REAL PROPERTY THAT AS OF THE ASSESSMENT
17 DATE IS OWNER-OCCUPIED AND IS USED AS THE PRIMARY RESIDENCE OF
18 THE OWNER-OCCUPIER SHALL BE EXEMPT FROM TAXATION if:

19 (1.5) (a) For property tax years commencing on or after January
20 1, 2007, BUT BEFORE JANUARY 1, 2022, fifty percent of the first two
21 hundred thousand dollars of actual value of residential real property that
22 as of the assessment date is owner-occupied and is used as the primary
23 residence of an owner-occupier who is a qualifying ~~disabled veteran shall~~
24 ~~be~~ VETERAN WITH A DISABILITY IS exempt from taxation, AND FOR
25 PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2022, FIFTY
26 PERCENT OF THE FIRST FOUR HUNDRED THOUSAND DOLLARS OF ACTUAL
27 VALUE OF RESIDENTIAL REAL PROPERTY THAT AS OF THE ASSESSMENT

1 DATE IS OWNER-OCCUPIED AND IS USED AS THE PRIMARY RESIDENCE OF AN
2 OWNER-OCCUPIER WHO IS A QUALIFYING VETERAN WITH A DISABILITY IS
3 EXEMPT FROM TAXATION, if:

4 (a.5) For property tax years commencing on or after January 1,
5 2015, BUT BEFORE JANUARY 1, 2022, fifty percent of the first two hundred
6 thousand dollars of actual value of residential real property that as of the
7 assessment date is owner-occupied and is used as the primary residence
8 of an owner-occupier who is the surviving spouse of a qualifying ~~disabled~~
9 veteran WITH A DISABILITY who previously received an exemption under
10 ~~paragraph (a) of this subsection (1.5)~~ SUBSECTION (1.5)(a) OF THIS
11 SECTION IS EXEMPT FROM TAXATION, AND FOR PROPERTY TAX YEARS
12 COMMENCING ON OR AFTER JANUARY 1, 2022, FIFTY PERCENT OF THE
13 FIRST FOUR HUNDRED THOUSAND DOLLARS OF ACTUAL VALUE OF
14 RESIDENTIAL REAL PROPERTY THAT AS OF THE ASSESSMENT DATE IS
15 OWNER-OCCUPIED AND IS USED AS THE PRIMARY RESIDENCE OF AN
16 OWNER-OCCUPIER WHO IS THE SURVIVING SPOUSE OF A QUALIFYING
17 VETERAN WITH A DISABILITY WHO PREVIOUSLY RECEIVED AN EXEMPTION
18 UNDER SUBSECTION (1.5)(a) OF THIS SECTION IS EXEMPT FROM TAXATION.

19 (6) (a) Notwithstanding the ten-year occupancy requirement set
20 forth in ~~subparagraph (I) of paragraph (a) of subsection (1)~~ SUBSECTION
21 (1)(a)(I) of this section, an owner-occupier who has not actually owned
22 and occupied residential real property for which the owner-occupier has
23 claimed an exemption under ~~said~~ subsection (1) OF THIS SECTION for the
24 ten years preceding the assessment date ~~shall be~~ IS deemed to have met
25 the ten-year requirement and ~~shall be~~ IS allowed an exemption under ~~said~~
26 subsection (1) OF THIS SECTION with respect to the property if:

27 (I.5) For property tax years commencing on or after January 1,

1 2015, the owner-occupier would have qualified for the exemption with
2 respect to other residential real property that the owner-occupier owned
3 and occupied as his or her primary residence before moving to the
4 residential real property for which an exemption is claimed but for the
5 fact that a natural disaster destroyed the former primary residence or
6 otherwise rendered it uninhabitable; ~~and~~ OR

7 (I.7) (A) FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER
8 JANUARY 1, 2022, THE OWNER-OCCUPIER WOULD HAVE QUALIFIED FOR
9 THE EXEMPTION WITH RESPECT TO OTHER RESIDENTIAL REAL PROPERTY
10 THAT THE OWNER-OCCUPIER OWNED AND OCCUPIED AS HIS OR HER
11 PRIMARY RESIDENCE BEFORE MOVING TO THE RESIDENTIAL REAL
12 PROPERTY FOR WHICH AN EXEMPTION IS CLAIMED BUT FOR THE FACT THAT
13 MEDICAL NECESSITY REQUIRED THE OWNER-OCCUPIER TO STOP OCCUPYING
14 THE OTHER RESIDENTIAL REAL PROPERTY AS HIS OR HER PRIMARY
15 RESIDENCE, SO LONG AS THE OWNER-OCCUPIER HAS NOT PREVIOUSLY
16 RECEIVED THE EXEMPTION PURSUANT TO THIS SUBSECTION (6)(a)(I.7)(A)
17 FOR PROPERTY OTHER THAN THE RESIDENTIAL REAL PROPERTY FOR WHICH
18 AN EXEMPTION IS CLAIMED AND THE OWNER-OCCUPIER PRESENTS TO THE
19 ASSESSOR, WHEN APPLYING FOR THE EXEMPTION, THE FORM ESTABLISHING
20 PROOF OF MEDICAL NECESSITY THAT IS DESCRIBED IN SUBSECTION
21 (6)(a)(I.7)(B) OF THIS SECTION.

22 (B) AS USED IN THIS SUBSECTION (6)(a), "MEDICAL NECESSITY"
23 MEANS A MEDICAL CONDITION OF AN OWNER-OCCUPIER THAT A PHYSICIAN
24 LICENSED TO PRACTICE MEDICINE IN THE STATE PURSUANT TO ARTICLE 240
25 OF TITLE 12 HAS CERTIFIED, ON A FORM DEVELOPED BY THE
26 ADMINISTRATOR AND MADE AVAILABLE ON THE WEBSITE OF THE DIVISION
27 OF PROPERTY TAXATION OF THE DEPARTMENT OF LOCAL AFFAIRS, AS

1 HAVING REQUIRED THE OWNER-OCCUPIER TO STOP OCCUPYING THE
2 OWNER-OCCUPIER'S PRIMARY RESIDENCE.

3 (II) WITH RESPECT TO AN EXEMPTION CLAIMED PURSUANT TO
4 SUBSECTION (6)(a)(I) OR (6)(a)(I.7) OF THIS SECTION, the owner-occupier
5 has not owned and occupied residential property as his or her primary
6 residence other than the residential real property for which an exemption
7 is claimed since the condemnation occurred OR SINCE THE
8 OWNER-OCCUPIER FIRST STOPPED OCCUPYING HIS OR HER FORMER
9 PRIMARY RESIDENCE DUE TO MEDICAL NECESSITY.

10 **SECTION 4.** In Colorado Revised Statutes, **amend** 39-3-204 as
11 follows:

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

1 exemption allowed by section 39-3-203 (1.5). No later than May 1, 2007,
2 the division shall mail to the residential property address of each person
3 residing in the state who the division believes is a qualifying ~~disabled~~
4 veteran WITH A DISABILITY notice of the exemption allowed by section
5 39-3-203 (1.5) for the 2007 property tax year. However, the sending of
6 notice to a person by the division does not constitute a determination by
7 the division that the person sent notice is entitled to an exemption. The
8 notice shall be in a form prescribed by the administrator, who shall
9 consult with the division before prescribing the form of the notice of the
10 exemption allowed by section 39-3-203 (1.5), and shall include a
11 statement of the eligibility criteria for the exemptions and instructions for
12 obtaining an exemption application. To reduce mailing costs, an assessor
13 may coordinate with the treasurer of the same county to include notice
14 with the tax statement for the previous property tax year mailed pursuant
15 to section 39-10-103 or may include notice with the notice of valuation
16 mailed pursuant to section 39-5-121 (1)(a).

17 **SECTION 5.** In Colorado Revised Statutes, 39-3-205, **amend**
18 (2.5) as follows:

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

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

14 **SECTION 6.** In Colorado Revised Statutes, 39-3-206, **amend**
15 (1.5), (2)(a), and (2)(a.7) as follows:

16 **39-3-206. Notice to individuals returning incomplete or**
17 **nonqualifying exemption applications - denial of exemption -**
18 **administrative remedies.** (1.5) (a) Except as otherwise provided in
19 ~~paragraph (a.7) of subsection (2)~~ SUBSECTION (2)(a.7) of this section, the
20 division shall only accept an application for the exemption allowed to
21 qualifying ~~disabled~~ veterans WITH A DISABILITY under section 39-3-203
22 (1.5) if the applicant timely returned the exemption application in
23 accordance with section 39-3-205 (1)(b), and an assessor shall only grant
24 the exemption if the division verifies that the applicant is a qualified
25 ~~disabled~~ veteran WITH A DISABILITY and the exemption application
26 forwarded by the division to the assessor pursuant to section 39-3-205
27 (2.5) establishes that the applicant meets the other requirements to be

1 entitled to the exemption.

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

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

26 (a.7) An individual who wishes to claim the exemption for
27 qualifying ~~disabled~~ veterans WITH A DISABILITY allowed by section

1 39-3-203 (1.5), but who has not timely filed an exemption application
2 with the division, may request that the division waive the application
3 deadline and allow the individual to file a late exemption application no
4 later than the August 1 that immediately follows the original application
5 deadline. The division may accept an application if, in the division's sole
6 discretion, the applicant shows good cause for not timely filing an
7 application. If the division accepts a late application, it shall determine
8 whether the applicant is a qualifying ~~disabled~~ veteran WITH A DISABILITY
9 and shall mail notice of its determination to the applicant no later than the
10 August 25 that immediately follows the late application deadline. If the
11 division determines that a veteran is a qualifying ~~disabled~~ veteran WITH
12 A DISABILITY, it shall mail a copy of the notice of its determination to the
13 assessor for the county in which the property for which the applicant has
14 claimed the exemption is located and shall include with the notice a copy
15 of the applicant's exemption application. The assessor shall grant an
16 exemption if the notice and application forwarded by the division to the
17 assessor establish that the applicant is entitled to the exemption. A
18 decision of the division to allow or disallow the filing of a late application
19 or of an assessor to grant or deny an exemption to an applicant who has
20 filed a late application is final, and an applicant who is denied late filing
21 or an exemption may not contest the denial.

22 **SECTION 7.** In Colorado Revised Statutes, 25-2-103, **amend**
23 (4.5) as follows:

24 **25-2-103. Centralized registration system for all vital statistics**
25 **- appointment of registrar - rules.** (4.5) Notwithstanding any other
26 provision of law that limits the sharing of vital statistics, after receiving
27 the list of names and social security numbers of individuals who received

1 property tax exemptions as either qualifying seniors or ~~disabled~~
2 QUALIFYING veterans WITH A DISABILITY for the prior year that is provided
3 by the property tax administrator pursuant to section 39-3-207, ~~C.R.S.~~, the
4 state registrar shall identify all individuals on the list who have died and
5 transmit a list of the names and social security numbers of such
6 individuals to the administrator.

7 **SECTION 8.** In Colorado Revised Statutes, 39-21-113, **amend**
8 (24) as follows:

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

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

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