

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 23-0480.02 Zach Blaes x4348

SENATE BILL 23-036

SENATE SPONSORSHIP

Pelton B. and Cutter, Bridges

HOUSE SPONSORSHIP

Armagost and Ortiz, Bottoms

Senate Committees

State, Veterans, & Military Affairs
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING A CHANGE TO THE APPLICATION PROCESS FOR THE**
102 **PROPERTY TAX EXEMPTION FOR VETERANS WITH A DISABILITY.**

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>.)

Current law requires an individual applying for the property tax exemption for a veteran with a disability to submit the application to the division of veterans affairs (division) in the Colorado department of veterans and military affairs. The bill instead requires an individual to submit an application to the individual's county tax assessor. When submitting an application, the bill requires an individual to include proof

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

of qualifying veteran with a disability status, which the bill defines as documentary evidence from the United States department of veterans affairs that the individual is a qualifying veteran with a disability. The bill further requires the division to develop guidance that specifies the documentary evidence from the United States department of veterans affairs that must be included with an application. The bill eliminates the requirement that the division determine whether an individual is a qualifying veteran with a disability.

To comply with an existing statutory requirement that "people first language" be used in new or amended statutes that refer to persons with disabilities, the bill also changes the existing terms "disabled veteran" and "disabled veterans" to "veteran with a disability" and "veterans with a disability".

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 A qualifying
10 ~~seniors~~ SENIOR and FOR A qualifying ~~disabled~~ veterans "DISABLED
11 VETERAN", DEFINED, IN ACCORDANCE WITH THE "PEOPLE FIRST
12 LANGUAGE" REQUIREMENTS OF SECTION 2-2-802, IN SECTION 39-3-202
13 (3.5) AS A "QUALIFYING VETERAN WITH A DISABILITY" FOR PURPOSES OF
14 THIS PART 2;

15 **SECTION 2.** In Colorado Revised Statutes, 39-3-202, **amend**
16 (1.5) and (3.5); and **add** (3.3) as follows:

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

1 (1.5) "Exemption" means the property tax exemptions for
2 qualifying seniors and qualifying ~~disabled~~ veterans WITH A DISABILITY
3 allowed by section 39-3-203.

4 (3.3) "PROOF OF QUALIFYING VETERAN WITH A DISABILITY
5 STATUS" MEANS DOCUMENTARY EVIDENCE FROM THE UNITED STATES
6 DEPARTMENT OF VETERANS AFFAIRS THAT AN INDIVIDUAL IS A
7 QUALIFYING VETERAN WITH A DISABILITY, AS DEFINED IN SUBSECTION
8 (3.5) OF THIS SECTION. THE DIVISION SHALL DEVELOP GUIDELINES THAT
9 SPECIFY THE DOCUMENTARY EVIDENCE FROM THE UNITED STATES
10 DEPARTMENT OF VETERANS AFFAIRS THAT IS REQUIRED TO ESTABLISH
11 PROOF OF QUALIFYING VETERAN WITH A DISABILITY STATUS.

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

23 **SECTION 3.** In Colorado Revised Statutes, 39-3-203, **amend**
24 (1.5)(a) introductory portion and (1.5)(a.5) as follows:

25 **39-3-203. Property tax exemption - qualifications.** (1.5) (a) For
26 property tax years commencing on or after January 1, 2007, fifty percent
27 of the first two hundred thousand dollars of actual value of residential real

1 property that as of the assessment date is owner-occupied and is used as
2 the primary residence of an owner-occupier who is a qualifying ~~disabled~~
3 veteran WITH A DISABILITY shall be exempt from taxation if:

4 (a.5) For property tax years commencing on or after January 1,
5 2015, fifty percent of the first two hundred thousand dollars of actual
6 value of residential real property that as of the assessment date is
7 owner-occupied and is used as the primary residence of an
8 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.

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

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

1 later than each May 1 thereafter, each assessor also shall mail to each
2 residential property address in the assessor's county notice of the
3 exemption allowed by section 39-3-203 (1.5). No later than May 1, 2007,
4 the division shall mail to the residential property address of each person
5 residing in the state who the division believes is a qualifying ~~disabled~~
6 veteran WITH A DISABILITY notice of the exemption allowed by section
7 39-3-203 (1.5) for the 2007 property tax year. However, the sending of
8 notice to a person by the division does not constitute a determination by
9 ~~the division~~ that the person sent notice is entitled to an exemption. The
10 notice ~~shall~~ MUST be in a form prescribed by the administrator, who shall
11 consult with the division before prescribing the form of the notice of the
12 exemption allowed by section 39-3-203 (1.5), and ~~shall~~ MUST include a
13 statement of the eligibility criteria for the exemptions, ~~and~~ instructions for
14 obtaining an exemption application, AND, FOR APPLICATIONS FOR
15 EXEMPTIONS FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER
16 JANUARY 1, 2024, INSTRUCTIONS FOR OBTAINING PROOF OF QUALIFYING
17 VETERAN WITH A DISABILITY STATUS. To reduce mailing costs, an assessor
18 may coordinate with the treasurer of the same county to include notice
19 with the tax statement for the previous property tax year mailed pursuant
20 to section 39-10-103 or may include notice with the notice of valuation
21 mailed pursuant to section 39-5-121 (1)(a).

22 **SECTION 5.** In Colorado Revised Statutes, 39-3-205, **amend**
23 (1)(b), (4)(a)(I), and (4)(a)(II); **repeal** (2.5); and **add** (2)(c) as follows:

24 **39-3-205. Exemption applications - penalty for providing false**
25 **information - confidentiality.** (1) (b) To claim the exemption allowed
26 by section 39-3-203 (1.5), an individual shall file with the ~~division~~
27 ASSESSOR a completed exemption application AND PROOF OF QUALIFYING

1 VETERAN WITH A DISABILITY STATUS no later than July 1 of the first
2 property tax year for which the exemption is claimed. An application
3 returned by mail shall be deemed filed on the date it is postmarked. AN
4 INDIVIDUAL WHO FILED AN EXEMPTION APPLICATION WITH THE DIVISION
5 RATHER THAN WITH THE ASSESSOR AS WAS REQUIRED BEFORE THIS
6 SUBSECTION (1)(b) WAS AMENDED BY SENATE BILL 23-036, ENACTED IN
7 2023, AND WHO QUALIFIED FOR AND RECEIVED AN EXEMPTION FOR A
8 PROPERTY TAX YEAR COMMENCING BEFORE JANUARY 1, 2024, RETAINS
9 THE EXEMPTION AND IS NOT REQUIRED TO SUBMIT A NEW APPLICATION OR
10 PROOF OF QUALIFYING VETERAN WITH A DISABILITY STATUS TO THE
11 ASSESSOR.

12 (2) (c) FOR THE EXEMPTION ALLOWED BY SECTION 39-3-203 (1.5),
13 THE EXEMPTION APPLICATION MUST INCLUDE PROOF OF QUALIFYING
14 VETERAN WITH A DISABILITY STATUS.

15 ~~(2.5) For the purpose of verifying the eligibility of each applicant~~
16 ~~for the exemption allowed to qualifying disabled veterans under section~~
17 ~~39-3-203 (1.5) efficiently and with minimal inconvenience to each~~
18 ~~applicant, the division shall determine whether an applicant for the~~
19 ~~exemption is a qualifying disabled veteran. With respect to any~~
20 ~~application timely filed by July 1 pursuant to paragraph (b) of subsection~~
21 ~~(1) of this section, the division shall, if possible, determine whether the~~
22 ~~applicant is a qualifying disabled veteran and send notice of its~~
23 ~~determination to the applicant on or before the immediately succeeding~~
24 ~~August 1. If the division determines that the applicant is a qualifying~~
25 ~~disabled veteran, it shall also send notice of its determination and a copy~~
26 ~~of the exemption application to the assessor for the county where the~~
27 ~~property is located. If the division is unable to determine whether the~~

1 applicant is a qualifying disabled veteran on or before said August 1, it
2 shall send preliminary notice to both the applicant and the assessor that
3 its determination is pending and shall follow up the preliminary notice by
4 sending final notice of its ultimate determination to the applicant and,
5 together with a copy of the exemption application, to the assessor as soon
6 as possible thereafter.

7 (4) (a) Completed exemption applications shall be kept
8 confidential; except that:

9 (I) (A) An assessor ~~or the division~~ may release statistical
10 compilations or informational summaries of any information contained
11 in exemption applications and shall provide a copy of an exemption
12 application to the applicant who returned the application, the treasurer of
13 the same county as the assessor, the administrator, the state treasurer, or
14 the state auditor upon request or as otherwise required by this part 2.

15 (B) An assessor ~~or the division~~ may introduce a copy of an
16 exemption application as evidence in any administrative hearing or legal
17 proceeding in which the accuracy or veracity of the exemption application
18 is at issue so long as neither the applicant's social security number nor any
19 other social security number set forth in the application are divulged.

20 (II) A treasurer, the administrator, the state treasurer, or the state
21 auditor shall keep confidential each individual exemption application that
22 it may receive from an assessor ~~or the division~~ but may release statistical
23 compilations or informational summaries of any information contained
24 in exemption applications and may introduce a copy of an exemption
25 application as evidence in any administrative hearing or legal proceeding
26 in which the accuracy or veracity of the exemption application is at issue
27 so long as neither the applicant's social security number nor any other

1 social security number set forth in the application are divulged.

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

4 **39-3-206. Notice to individuals returning incomplete or**
5 **nonqualifying exemption applications - denial of exemption -**
6 **administrative remedies.** (1.5) (a) Except as otherwise provided in
7 ~~paragraph (a.7) of subsection (2)~~ SUBSECTION (2)(a.7) of this section, the
8 ~~division~~ ASSESSOR shall only accept an application for the exemption
9 allowed to qualifying ~~disabled~~ veterans WITH A DISABILITY under section
10 39-3-203 (1.5) if the applicant timely returned the exemption application
11 in accordance with section 39-3-205 (1)(b), and an assessor shall only
12 grant the exemption if ~~the division verifies that the applicant is a qualified~~
13 ~~disabled veteran~~ THE APPLICANT SUBMITS PROOF OF QUALIFYING VETERAN
14 WITH A DISABILITY STATUS AS REQUIRED BY SECTION 39-3-205 and the
15 exemption application ~~forwarded by the division to the assessor pursuant~~
16 ~~to section 39-3-205 (2.5)~~ establishes that the applicant meets the other
17 requirements to be entitled to the exemption.

18 (b) If the information provided on or with an application for the
19 exemption allowed to qualifying ~~disabled~~ veterans WITH A DISABILITY
20 under section 39-3-203 (1.5) ~~that is forwarded by the division to an~~
21 ~~assessor pursuant to section 39-3-205 (2.5)~~ indicates that the applicant is
22 not entitled to the exemption, or is insufficient to allow the assessor to
23 determine whether or not the applicant is entitled to the exemption, the
24 assessor shall deny the application and mail to the applicant a statement
25 providing the reasons for the denial and informing the applicant of the
26 applicant's right to contest the denial pursuant to subsection (2) of this
27 section. The assessor shall mail the statement no later than August 1 of

1 the property tax year for which the exemption application was filed.

2 (2) (a) An applicant whose exemption application has been denied
3 pursuant to ~~paragraph (b) of subsection (1) or paragraph (b) of subsection~~
4 ~~(1.5) SUBSECTION (1)(b) OR (1.5)(b)~~ of this section may contest the denial
5 by requesting a hearing before the county commissioners sitting as the
6 county board of equalization no later than August 15 of the property tax
7 year for which the exemption application was filed. The hearing shall be
8 held on or after August 1 and no later than September 1 of the property
9 tax year for which the exemption application was filed, and the decision
10 of the county board of equalization is not subject to further administrative
11 appeal by either the applicant or the assessor. ~~An applicant may not~~
12 ~~contest a determination by the division that the applicant is not a~~
13 ~~qualifying disabled veteran at a hearing requested pursuant to this~~
14 ~~paragraph (a).~~

15 (a.7) An individual who wishes to claim the exemption for
16 qualifying ~~disabled~~ veterans WITH A DISABILITY allowed by section
17 39-3-203 (1.5), but who has not timely filed an exemption application
18 ~~with the division~~, may request that the ~~division~~ ASSESSOR waive the
19 application deadline and allow the individual to file a late exemption
20 application no later than the August 1 that immediately follows the
21 original application deadline. The ~~division~~ ASSESSOR may accept an
22 application if, in the ~~division's~~ ASSESSOR'S sole discretion, the applicant
23 shows good cause for not timely filing an application. If the ~~division~~
24 ASSESSOR accepts a late application, ~~it~~ THE ASSESSOR shall determine
25 whether the ~~applicant is a qualifying disabled veteran~~ THE APPLICATION
26 SHOULD BE GRANTED OR DENIED PURSUANT TO SUBSECTION (1.5) OF THIS
27 SECTION and shall mail notice of its determination to the applicant no later

1 than the August 25 that immediately follows the late application deadline.
2 ~~If the division determines that a veteran is a qualifying disabled veteran,~~
3 ~~it shall mail a copy of the notice of its determination to the assessor for~~
4 ~~the county in which the property for which the applicant has claimed the~~
5 ~~exemption is located and shall include with the notice a copy of the~~
6 ~~applicant's exemption application. The assessor shall grant an exemption~~
7 ~~if the notice and application forwarded by the division to the assessor~~
8 ~~establish that the applicant is entitled to the exemption.~~ A decision of the
9 ~~division~~ ASSESSOR to allow or disallow the filing of a late application or
10 of an assessor to grant or deny an exemption to an applicant who has filed
11 a late application is final, and an applicant who is denied late filing or an
12 exemption may not contest the denial.

13 **SECTION 7.** In Colorado Revised Statutes, 25-2-103, **amend**
14 (4.5) as follows:

15 **25-2-103. Centralized registration system for all vital statistics**
16 **- office of the state registrar of vital statistics created - appointment**
17 **of registrar - rules.** (4.5) Notwithstanding any other provision of law
18 that limits the sharing of vital statistics, after receiving the list of names
19 and social security numbers of individuals who received property tax
20 exemptions as either qualifying seniors or ~~disabled~~ QUALIFYING veterans
21 WITH A DISABILITY for the prior year that is provided by the property tax
22 administrator pursuant to section 39-3-207, ~~C.R.S.~~, the state registrar shall
23 identify all individuals on the list who have died and transmit a list of the
24 names and social security numbers of such individuals to the
25 administrator.

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

1 **39-21-113. Reports and returns - rule - repeal.**

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

16 **SECTION 9. Effective date - applicability.** (1) This act takes
17 effect upon passage; except that sections 5 and 6 of this act take effect
18 January 1, 2024.

19 (2) This act applies to exemption applications for property tax
20 years commencing on or after January 1, 2024.

21 **SECTION 10. Safety clause.** The general assembly hereby finds,
22 determines, and declares that this act is necessary for the immediate
23 preservation of the public peace, health, or safety.