

CHAPTER 473

TAXATION

HOUSE BILL 24-1052

BY REPRESENTATIVE(S) Weissman and Marshall, Bacon, Bird, Brown, Catlin, Clifford, Daugherty, deGruy Kennedy, Duran, English, Epps, Froelich, Garcia, Hernandez, Herod, Jodeh, Joseph, Kipp, Lieder, Lindsay, Lindstedt, Lukens, Mabrey, Marvin, McCormick, McLachlan, Ortiz, Ricks, Rutinel, Sirota, Story, Titone, Valdez, Velasco, Vigil, Willford, Woodrow, Young, McCluskie;

also SENATOR(S) Kolker and Hansen, Bridges, Buckner, Cutter, Danielson, Exum, Fields, Ginal, Gonzales, Jaquez Lewis, Marchman, Michaelson Jenet, Mullica, Priola, Sullivan, Winter F., Fenberg.

AN ACT

CONCERNING THE REINSTATEMENT OF AN INCOME TAX CREDIT TO HELP INCOME-QUALIFIED SENIORS AFFORD HOUSING, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 39-3-207, **add** (8) as follows:

39-3-207. Reporting of exemptions - reimbursement to local governmental entities - repeal. (8) (a) ON OR BEFORE DECEMBER 1, 2024, THE ADMINISTRATOR SHALL PROVIDE A REPORT TO THE DEPARTMENT OF REVENUE WITH THE NAMES AND SOCIAL SECURITY NUMBERS OF ALL APPLICANTS ELIGIBLE FOR THE EXEMPTION FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1, 2024, BASED ON THE ADMINISTRATOR'S EXAMINATION UNDER SUBSECTION (2) OF THIS SECTION OF THE REPORTS RECEIVED IN ACCORDANCE WITH SUBSECTION (1) OF THIS SECTION.

(b) ON OR BEFORE APRIL 1, 2025, THE ADMINISTRATOR SHALL PROVIDE A REPORT TO THE DEPARTMENT OF REVENUE WITH THE NAMES AND SOCIAL SECURITY NUMBERS OF ALL TAXPAYERS ENTITLED TO THE EXEMPTION FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1, 2024, BASED ON THE ADMINISTRATOR'S EXAMINATION UNDER SUBSECTION (3.5) OF THIS SECTION OF THE REPORTS RECEIVED IN ACCORDANCE WITH SUBSECTION (3) OF THIS SECTION.

(c) THIS SUBSECTION (8) IS REPEALED, EFFECTIVE JULY 1, 2025.

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

SECTION 2. In Colorado Revised Statutes, 39-22-544, **amend** (3), (4), and (6); **add** (4.5); and **repeal** (2)(b) as follows:

39-22-544. Credit against tax - qualifying seniors - creation - legislative declaration - definitions. (2) As used in this section, unless the context otherwise requires:

~~(b) "Qualifying senior" means a resident individual who:~~

~~(i) Is sixty-five years of age or older at the end of 2022;~~

~~(ii) Has a federal adjusted gross income that is less than or equal to seventy-five thousand dollars for the income tax year commencing on January 1, 2022; and~~

~~(iii) Has not claimed a property tax exemption under section 39-3-203 for the property tax year commencing on January 1, 2022.~~

(3) (a) (I) For the income tax year commencing on January 1, 2022, a qualifying senior is allowed a credit against the tax imposed by this article 22 in an amount set forth in subsection (4) of this section.

(II) AS USED IN THIS SUBSECTION (3)(a), "QUALIFYING SENIOR" MEANS A RESIDENT INDIVIDUAL WHO:

(A) IS SIXTY-FIVE YEARS OF AGE OR OLDER AT THE END OF 2022;

(B) HAS A FEDERAL ADJUSTED GROSS INCOME THAT IS LESS THAN OR EQUAL TO SEVENTY-FIVE THOUSAND DOLLARS FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1, 2022; AND

(C) HAS NOT CLAIMED A PROPERTY TAX EXEMPTION UNDER SECTION 39-3-203 FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1, 2022.

(b) (I) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1, 2024, A QUALIFYING SENIOR IS ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT SET FORTH IN SUBSECTION (4.5) OF THIS SECTION.

(II) AS USED IN THIS SUBSECTION (3)(b), "QUALIFYING SENIOR" MEANS A RESIDENT INDIVIDUAL WHO:

(A) IS SIXTY-FIVE YEARS OF AGE OR OLDER AT THE END OF 2024;

(B) HAS, FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1, 2024, A FEDERAL ADJUSTED GROSS INCOME LESS THAN OR EQUAL TO SEVENTY-FIVE THOUSAND DOLLARS FOR AN INDIVIDUAL FILING A SINGLE RETURN, OR HAS A FEDERAL ADJUSTED GROSS INCOME LESS THAN OR EQUAL TO ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS FOR AN INDIVIDUAL FILING A JOINT RETURN; AND

(C) HAS NOT CLAIMED A PROPERTY TAX EXEMPTION UNDER SECTION 39-3-203 FOR THE PROPERTY TAX YEAR COMMENCING ON JANUARY 1, 2024, ON OR BEFORE AUGUST 15, 2024.

(4) (a) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1, 2022, the amount of the credit is one thousand dollars for a qualifying senior with federal adjusted gross income that is twenty-five thousand dollars or less. For every five hundred dollars of adjusted gross income above twenty-five thousand dollars, the amount of the credit is reduced by ten dollars.

(b) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1, 2022, the credit is the same whether it is claimed by one taxpayer filing a single return or two taxpayers filing a joint return. In the case of two taxpayers who share the same primary residence and who may legally file a joint return but actually file separate returns, both taxpayers may claim the credit, but the maximum credit for each is five hundred dollars and, for every five hundred dollars of adjusted gross income above twenty-five thousand dollars, the amount of the credit is reduced by five dollars.

(c) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1, 2022, notwithstanding subsections (4)(a) and (4)(b) of this section, a taxpayer who also qualifies for a grant under article 31 of this title 39 during calendar year 2022 is eligible to receive the full credit without an income-based reduction that otherwise applies for the taxpayer under subsection (4)(a) or (4)(b) of this section.

(4.5) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1, 2024:

(a) THE AMOUNT OF THE CREDIT IS EIGHT HUNDRED DOLLARS FOR A QUALIFYING SENIOR FILING A SINGLE RETURN WITH A FEDERAL ADJUSTED GROSS INCOME THAT IS TWENTY-FIVE THOUSAND DOLLARS OR LESS. FOR EVERY FIVE HUNDRED DOLLARS OF ADJUSTED GROSS INCOME ABOVE TWENTY-FIVE THOUSAND DOLLARS, THE AMOUNT OF THE CREDIT IS REDUCED BY EIGHT DOLLARS.

(b) THE AMOUNT OF THE CREDIT IS EIGHT HUNDRED DOLLARS FOR TWO TAXPAYERS FILING A JOINT RETURN WITH A FEDERAL ADJUSTED GROSS INCOME THAT IS TWENTY-FIVE THOUSAND DOLLARS OR LESS. FOR EVERY FIVE HUNDRED DOLLARS OF ADJUSTED GROSS INCOME ABOVE TWENTY-FIVE THOUSAND DOLLARS, THE AMOUNT OF THE CREDIT IS REDUCED BY FOUR DOLLARS.

(c) IN THE CASE OF TWO TAXPAYERS WHO SHARE THE SAME PRIMARY RESIDENCE AND WHO MAY LEGALLY FILE A JOINT RETURN BUT ACTUALLY FILE SEPARATE RETURNS, BOTH TAXPAYERS MAY CLAIM THE CREDIT, BUT THE MAXIMUM CREDIT FOR EACH TAXPAYER IS FOUR HUNDRED DOLLARS AND, FOR EVERY FIVE HUNDRED DOLLARS OF ADJUSTED GROSS INCOME ABOVE TWENTY-FIVE THOUSAND DOLLARS, THE AMOUNT OF THE CREDIT IS REDUCED BY FOUR DOLLARS.

(d) NOTWITHSTANDING SUBSECTIONS (4.5)(a), (4.5)(b), AND (4.5)(c) OF THIS SECTION, A TAXPAYER WHO ALSO QUALIFIES FOR A GRANT UNDER ARTICLE 31 OF THIS TITLE 39 DURING CALENDAR YEAR 2024 IS ELIGIBLE TO RECEIVE THE FULL CREDIT WITHOUT AN INCOME-BASED REDUCTION THAT OTHERWISE APPLIES FOR THE TAXPAYER PURSUANT TO SUBSECTIONS (4.5)(a), (4.5)(b), AND (4.5)(c) OF THIS SECTION.

(e) IN THE CASE OF A PART-YEAR RESIDENT, THE CREDIT ALLOWED UNDER THIS SUBSECTION (4.5) IS APPORTIONED IN THE RATIO DETERMINED UNDER SECTION 39-22-110(1).

~~(6) The department of revenue may use the reports received from the property tax administrator in accordance with section 39-3-207 (7) for purposes of confirming that a taxpayer meets the eligibility requirement set forth in subsection (2)(b)(III) of this section.~~ THE DEPARTMENT OF REVENUE MAY USE THE REPORTS RECEIVED FROM THE PROPERTY TAX ADMINISTRATOR IN ACCORDANCE WITH SECTION 39-3-207 (8) FOR PURPOSES OF CONFIRMING THAT A TAXPAYER MEETS THE ELIGIBILITY REQUIREMENT SET FORTH IN SUBSECTION (3)(b)(II)(C) OF THIS SECTION.

SECTION 3. Appropriation. (1) For the 2024-25 state fiscal year, \$113,407 is appropriated to the department of revenue. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:

(a) \$20,576 for use by the taxation business group for personal services related to taxation services;

(b) \$46,350 for tax administration IT system (GenTax) support;

(c) \$39,725 for use by the executive director's office for personal services related to administration and support; and

(d) \$6,756 for document management services.

(2) For the 2024-25 state fiscal year, \$6,756 is appropriated to the department of personnel. This appropriation is from reappropriated funds received from the department of revenue under subsection (1)(d) of this section. To implement this act, the department of personnel may use this appropriation to provide document management services for the department of revenue.

SECTION 4. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: June 6, 2024