

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

PREAMENDED

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

LLS NO. 25-0216.01 Alison Killen x4350

SENATE BILL 25-013

SENATE SPONSORSHIP

Mullica, Liston, Weissman

HOUSE SPONSORSHIP

Marshall and Joseph,

Senate Committees

Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE EXTENSION OF AN INCOME TAX CREDIT TO HELP**
102 **INCOME-QUALIFIED SENIORS AFFORD HOUSING.**

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/>.)

Legislative Oversight Committee Concerning Tax Policy.
Section 2 of the bill extends a refundable income tax credit (credit) that is available for the income tax years commencing on January 1, 2022, and January 1, 2024, so that the credit is also available for the income tax years commencing on January 1, 2025, and January 1, 2026.

For each income tax year, the credit is for a qualifying senior,

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.

which means a resident individual who:

- Is 65 years of age or older at the end of the income tax year;
- Has federal adjusted gross income (AGI) that is less than or equal to \$75,000 if filing a single return, or less than or equal to \$125,000 if filing a joint return; and
- Has not claimed the senior property tax exemption for the property tax year that coincides with the income tax year.

The amount of the credit for both the 2025 and 2026 income tax years is:

- \$800 for a qualifying senior filing a single return with federal AGI that is \$25,000 or less. For every \$500 of federal AGI above \$25,000, the amount of the credit is reduced by \$8.
- \$800 for 2 taxpayers filing a joint return with federal AGI that is \$25,000 or less. For every \$500 of federal AGI above \$25,000, the amount of the credit is reduced by \$4.
- \$400 for each taxpayer, in the case of 2 taxpayers who share the same primary residence, and may legally file a joint return but actually file separate returns and both claim the credit. For every \$500 of federal AGI above \$25,000, the amount of the credit is reduced by \$4.

Notwithstanding the income-based reductions in the allowable credit amount, a taxpayer who also qualifies for a property tax and rent assistance grant or heat assistance grant during the calendar year 2025 or 2026 is eligible to receive the full amount of the credit.

Section 1 requires the property tax administrator to provide reports from counties related to taxpayers who are eligible for and actually claim the homestead property tax exemption.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-3-207, **amend** (8)

3 as follows:

4 **39-3-207. Reporting of exemptions - reimbursement to local**
5 **governmental entities - repeal.** (8) (a) On or before December 1, 2024,
6 the administrator shall provide a report to the department of revenue with
7 the names and social security numbers of all applicants eligible for the
8 exemption for the property tax year commencing on January 1, 2024,

1 based on the administrator's examination under subsection (2) of this
2 section of the reports received in accordance with subsection (1) of this
3 section. ON OR BEFORE DECEMBER 1, 2025, AND ON OR BEFORE
4 DECEMBER 1, 2026, THE ADMINISTRATOR SHALL PROVIDE THE SAME
5 REPORT TO THE DEPARTMENT OF REVENUE CONTAINING THE NAMES AND
6 SOCIAL SECURITY NUMBERS OF ALL APPLICANTS ELIGIBLE FOR THE
7 EXEMPTION FOR THE PROPERTY TAX YEARS COMMENCING ON JANUARY 1,
8 2025, AND JANUARY 1, 2026, RESPECTIVELY.

9 (b) On or before April 1, 2025, the administrator shall provide a
10 report to the department of revenue with the names and social security
11 numbers of all taxpayers entitled to the exemption for the property tax
12 year commencing on January 1, 2024, based on the administrator's
13 examination under subsection (3.5) of this section of the reports received
14 in accordance with subsection (3) of this section. ON OR BEFORE APRIL 1,
15 2026, AND ON OR BEFORE APRIL 1, 2027, THE ADMINISTRATOR SHALL
16 PROVIDE THE SAME REPORT TO THE DEPARTMENT OF REVENUE
17 CONTAINING THE NAMES AND SOCIAL SECURITY NUMBERS OF ALL
18 TAXPAYERS ENTITLED TO THE EXEMPTION FOR THE PROPERTY TAX YEARS
19 COMMENCING ON JANUARY 1, 2025, AND JANUARY 1, 2026,
20 RESPECTIVELY.

21 (c) This subsection (8) is repealed, effective ~~July 1, 2025~~ JULY 1,
22 2027.

23 **SECTION 2. In Colorado Revised Statutes, 39-1-104.6, add**
24 **(8)(e) as follows:**

25 **39-1-104.6. Qualified-senior primary residence real property**
26 **- valuation for assessment - reimbursement to local governments for**
27 **reduced valuation - temporary mechanism for refunding excess state**

1 revenues - legislative declaration - definitions. (8) Reporting to
2 administrator. (e) NOTWITHSTANDING SUBSECTION (5)(a) OF THIS
3 SECTION, THE ADMINISTRATOR SHALL PROVIDE REPORTS TO THE
4 DEPARTMENT OF REVENUE AS FOLLOWS:

5 (I) ON OR BEFORE DECEMBER 1, 2025, AND ON OR BEFORE
6 DECEMBER 1, 2026, THE ADMINISTRATOR SHALL PROVIDE A REPORT TO
7 THE DEPARTMENT OF REVENUE WITH THE NAMES AND SOCIAL SECURITY
8 NUMBERS OF ALL APPLICANTS ELIGIBLE FOR CLASSIFICATION OF REAL
9 PROPERTY AS QUALIFIED-SENIOR PRIMARY RESIDENCE REAL PROPERTY
10 COMMENCING ON JANUARY 1, 2025, AND JANUARY 1, 2026,
11 RESPECTIVELY.

12 (II) ON OR BEFORE APRIL 1, 2026, AND ON OR BEFORE APRIL 1,
13 2027, THE ADMINISTRATOR SHALL PROVIDE A REPORT TO THE
14 DEPARTMENT OF REVENUE WITH THE NAMES AND SOCIAL SECURITY
15 NUMBERS OF ALL TAXPAYERS ENTITLED TO THE CLASSIFICATION OF REAL
16 PROPERTY AS QUALIFIED-SENIOR PRIMARY RESIDENCE REAL PROPERTY FOR
17 THE PROPERTY TAX YEARS COMMENCING ON JANUARY 1, 2025, AND
18 JANUARY 1, 2026, RESPECTIVELY.

19 **SECTION 3.** In Colorado Revised Statutes, 39-22-544, **amend**
20 (1)(a)(III), (1)(a)(IV), (1)(b)(I), (1)(c), (4.5) introductory portion, (4.5)(d),
21 and (6); and add (1)(a)(V) and (3)(c) as follows:

22 **39-22-544. Credit against tax - qualifying seniors - creation -**
23 **legislative declaration - definitions. (1) (a) The general assembly**
24 **hereby finds and declares that:**

25 (III) Many seniors are ineligible for the senior property tax
26 exemption because they have owned their home for fewer than ten years
27 or because they rent; and

1 (IV) Property tax rebates or tax-equivalent rebates for renters
2 available under section 39-31-102 only assist seniors with incomes below
3 very low thresholds; AND

4 (V) FOR PROPERTY TAX YEARS 2025 AND 2026, THE GENERAL
5 ASSEMBLY REDUCED THE VALUATION FOR ASSESSMENT FOR PROPERTY
6 CLASSIFIED AS QUALIFIED-SENIOR PRIMARY RESIDENCE REAL PROPERTY
7 PURSUANT TO SECTION 39-1-104.2.

8 (b) (I) Therefore, in order to help more seniors afford the high
9 cost of housing in Colorado, the general assembly hereby intends to
10 establish a refundable income tax credit for income-qualified seniors who
11 do not qualify for the senior property tax exemption OR THE REDUCED
12 VALUATION FOR ASSESSMENT FOR PROPERTY CLASSIFIED AS
13 QUALIFIED-SENIOR PRIMARY RESIDENCE REAL PROPERTY to help them
14 afford the high cost of housing.

15 (c) The general assembly and the state auditor shall measure the
16 effectiveness of the exemption CREDIT in achieving the purpose specified
17 in subsection (1)(b)(II) of this section based on the number of taxpayers
18 who have claimed the exemption CREDIT.

19 (3)(c)(I) FOR THE INCOME TAX YEARS COMMENCING ON JANUARY
20 1, 2025, AND JANUARY 1, 2026, A QUALIFYING SENIOR IS ALLOWED A
21 CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT SET
22 FORTH IN SUBSECTION (4.5) OF THIS SECTION.

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

25 (A) IS SIXTY-FIVE YEARS OF AGE OR OLDER AT THE END OF THE
26 APPLICABLE INCOME TAX YEAR;

27 (B) HAS, FOR THE APPLICABLE INCOME TAX YEAR, A FEDERAL

1 ADJUSTED GROSS INCOME LESS THAN OR EQUAL TO SEVENTY-FIVE
2 THOUSAND DOLLARS FOR AN INDIVIDUAL FILING A SINGLE RETURN, OR HAS
3 A FEDERAL ADJUSTED GROSS INCOME LESS THAN OR EQUAL TO ONE
4 HUNDRED TWENTY-FIVE THOUSAND DOLLARS FOR AN INDIVIDUAL FILING
5 A JOINT RETURN; AND

6 (C) HAS NOT CLAIMED A PROPERTY TAX EXEMPTION UNDER
7 SECTION 39-3-203 OR THE REDUCED VALUATION FOR ASSESSMENT FOR
8 PROPERTY CLASSIFIED AS QUALIFIED-SENIOR PRIMARY RESIDENCE REAL
9 PROPERTY UNDER SECTION 39-1-104.6 FOR THE PROPERTY TAX YEAR THAT
10 COINCIDES WITH THE APPLICABLE INCOME TAX YEAR ON OR BEFORE
11 AUGUST 15 OF THE APPLICABLE INCOME TAX YEAR.

12 (4.5) For the income tax ~~year~~ YEARS commencing on January 1,
13 2024, JANUARY 1, 2025, AND JANUARY 1, 2026:

14 (d) Notwithstanding subsections (4.5)(a), (4.5)(b), and (4.5)(c) of
15 this section, a taxpayer who also qualifies for a grant under article 31 of
16 this title 39 during calendar year 2024, **2025**, OR **2026** is eligible to
17 receive the full credit without an income-based reduction that otherwise
18 applies for the taxpayer pursuant to subsections (4.5)(a), (4.5)(b), and
19 (4.5)(c) of this section.

20 (6) The department of revenue may use the reports received from
21 the property tax administrator in accordance with section 39-3-207 (8)
22 SECTIONS 39-3-207 (8) AND 39-1-104.6 (8)(e) for purposes of confirming
23 that a taxpayer meets the eligibility requirement set forth in ~~subsection~~
24 SUBSECTIONS (3)(b)(II)(C) AND (3)(c)(II)(C) of this section.

25 **SECTION 4. Safety clause.** The general assembly finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.