

Second Extraordinary Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

**BILLPAPER**

LLS NO. 24B-0022.01 Jason Gelender x4330

**HOUSE BILL**

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**HOUSE SPONSORSHIP**

**DeGraaf,**

**SENATE SPONSORSHIP**

**(None),**

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**House Committees**

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE EXPANSION OF PROPERTY TAX EXEMPTIONS FOR**  
102 **CERTAIN OWNER-OCCUPIED PRIMARY RESIDENCES.**

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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>.)*

For property tax years commencing during property tax reassessment cycles (cycles) that begin on or after January 1, 2025, the bill changes the amount of the exemptions for the owner-occupied primary residence (residence) of a qualifying senior, a veteran with a disability, or the surviving spouse of a United States armed forces service member who died in the line of duty or veteran whose death resulted from

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.*

a service-related injury or disease (exemptions) from 50% of the first \$200,000 of actual value of the residence to 50% of an amount of actual value of the residence equal to 50% of 50% of the estimated state median home value (median home value) for the state; except that, if the median home value declines, the exemption amount continues to be calculated based on the median home value used to calculate the exemption amount for the property tax years included in the prior cycle.

The state constitution currently only allows a senior who has owned and occupied the senior's residence for 10 years, or the surviving spouse of such a senior, to claim the exemption. For property tax years commencing on or after January 1, 2027, if at the 2026 general election the voters of the state approve a referred constitutional amendment to allow a senior, or the surviving spouse of such a senior (surviving spouse), who has previously qualified for the exemption for 2016 or any later year for a prior residence to claim the exemption for the senior's or surviving spouse's current residence regardless of how long the senior or surviving spouse has owned and occupied that residence, the bill makes the statutory changes needed to conform to the constitutional amendment.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-3-203, **amend** (1)  
3 introductory portion, (1)(a), (1.5)(a) introductory portion, (1.5)(a.5), and  
4 (6)(a); and **add** (1.7) and (1.8) as follows:

5 **39-3-203. Property tax exemption - qualifications - definitions.**

6 (1) For the property tax year commencing January 1, 2002, for property  
7 tax years commencing on or after January 1, 2006, but before January 1,  
8 2009, and for property tax years commencing on or after January 1, 2012,  
9 BUT BEFORE JANUARY 1, 2025, fifty percent of the first two hundred  
10 thousand dollars of actual value of residential real property that as of the  
11 assessment date is owner-occupied and is used as the primary residence  
12 of the owner-occupier ~~shall be~~ IS exempt from taxation, and for property  
13 tax years commencing on or after January 1, 2003, but before January 1,  
14 2006, and on or after January 1, 2009, but before January 1, 2012, fifty  
15 percent of zero dollars of actual value of residential real property that as

1 ~~of the assessment date is owner-occupied and is used as the primary~~  
2 ~~residence of the owner-occupier shall be~~ SUCH PROPERTY IS exempt from  
3 taxation, AND FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER  
4 JANUARY 1, 2025, AN AMOUNT OF THE ACTUAL VALUE OF SUCH PROPERTY  
5 THAT IS EQUAL TO THE LESSER OF FIFTY PERCENT OF THE ACTUAL VALUE  
6 OF SUCH PROPERTY OR FIFTY PERCENT OF AN AMOUNT EQUAL TO FIFTY  
7 PERCENT OF THE ESTIMATED STATE MEDIAN HOME VALUE IS EXEMPT FROM  
8 TAXATION if:

9 (a) (I) The owner-occupier is sixty-five years of age or older as of  
10 the assessment date and has owned and occupied such residential real  
11 property as ~~his or her~~ THE OWNER-OCCUPIER'S primary residence for the  
12 ten years preceding the assessment date; ~~or~~

13 (II) The owner-occupier is the surviving spouse of an  
14 owner-occupier who previously qualified for a property tax exemption for  
15 the same residential real property under ~~subparagraph (I) of this~~  
16 ~~paragraph (a); and~~ SUBSECTION (1)(a)(I) OF THIS SECTION; OR

17 (III) FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER  
18 JANUARY 1, 2027, ONLY, THE OWNER-OCCUPIER HAD RECEIVED AN  
19 EXEMPTION PURSUANT TO SUBSECTION (1)(a)(I) OR (1)(a)(II) OF THIS  
20 SECTION OR THIS SUBSECTION (1)(a)(III), FOR ANY PROPERTY TAX YEAR  
21 COMMENCING ON OR AFTER JANUARY 1, 2016, FOR RESIDENTIAL REAL  
22 PROPERTY THAT THE OWNER-OCCUPIER THEREAFTER CEASED OCCUPYING,  
23 FOR ANY PERIOD, AS THE OWNER-OCCUPIER'S PRIMARY RESIDENCE; AND

24 (1.5) (a) For property tax years commencing on or after January  
25 1, 2007, BUT BEFORE JANUARY 1, 2025, fifty percent of the first two  
26 hundred thousand dollars of actual value of residential real property that  
27 as of the assessment date is owner-occupied and is used as the primary

1 residence of an owner-occupier who is a qualifying veteran with a  
2 disability ~~shall be~~ IS exempt from taxation, AND FOR PROPERTY TAX  
3 YEARS COMMENCING ON OR AFTER JANUARY 1, 2025, AN AMOUNT OF THE  
4 ACTUAL VALUE OF SUCH PROPERTY THAT IS EQUAL TO THE LESSER OF  
5 FIFTY PERCENT OF AN AMOUNT EQUAL TO FIFTY PERCENT OF THE ACTUAL  
6 VALUE OF SUCH PROPERTY OR FIFTY PERCENT OF THE ESTIMATED STATE  
7 MEDIAN HOME VALUE IS EXEMPT FROM TAXATION if:

8 (a.5) For property tax years commencing on or after January 1,  
9 2015, fifty percent of the first two hundred thousand dollars of actual  
10 value of residential real property that as of the assessment date is  
11 owner-occupied and is used as the primary residence of an  
12 owner-occupier who is the surviving spouse of a qualifying veteran with  
13 a disability who previously received an exemption under subsection  
14 (1.5)(a) of this section OR WHO IS AN ELIGIBLE SPOUSE, AS DEFINED IN  
15 SECTION 3.5 (1.7) OF ARTICLE X OF THE STATE CONSTITUTION, is exempt  
16 from taxation, AND FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER  
17 JANUARY 1, 2025, AN AMOUNT OF THE ACTUAL VALUE OF SUCH PROPERTY  
18 THAT IS EQUAL TO THE LESSER OF FIFTY PERCENT OF AN AMOUNT EQUAL  
19 TO FIFTY PERCENT OF THE ACTUAL VALUE OF SUCH PROPERTY OR FIFTY  
20 PERCENT OF THE ESTIMATED STATE MEDIAN HOME VALUE is exempt from  
21 taxation.

22 (1.7) NO LATER THAN MARCH 15, 2025, AND NO LATER THAN  
23 MARCH 15 OF THE FIRST YEAR OF EACH PROPERTY TAX REASSESSMENT  
24 CYCLE THEREAFTER, THE STAFF OF THE LEGISLATIVE COUNCIL SHALL  
25 CALCULATE AND PROVIDE TO THE ADMINISTRATOR THE ESTIMATED STATE  
26 MEDIAN HOME VALUE FOR THE PROPERTY TAX YEARS THAT COMMENCE  
27 DURING THE CURRENT PROPERTY TAX REASSESSMENT CYCLE.

1 (1.8) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
2 REQUIRES:

3 (a) "ESTIMATED STATE MEDIAN HOME VALUE" MEANS:

4 (I) FOR THE PROPERTY TAX YEARS THAT COMMENCE DURING THE  
5 PROPERTY TAX REASSESSMENT CYCLE THAT BEGINS ON JANUARY 1, 2025,  
6 THE MOST RECENT AVAILABLE ESTIMATE OF MEDIAN HOME VALUE FOR THE  
7 STATE OF COLORADO IN THE UNITED STATES BUREAU OF THE CENSUS  
8 AMERICAN COMMUNITY SURVEY, ADJUSTED FOR INFLATION OR DEFLATION  
9 THROUGH THE FOURTH QUARTER OF 2024 AND ROUNDED TO THE NEAREST  
10 ONE THOUSAND DOLLARS; AND

11 (II) FOR THE PROPERTY TAX YEARS THAT COMMENCE DURING  
12 EACH SUBSEQUENT PROPERTY TAX REASSESSMENT CYCLE, THE GREATER  
13 OF THE ESTIMATED STATE MEDIAN HOME VALUE FOR THE PROPERTY TAX  
14 YEARS THAT COMMENCED DURING THE PRIOR PROPERTY TAX  
15 REASSESSMENT CYCLE OR THE MOST RECENT AVAILABLE ESTIMATE OF  
16 MEDIAN HOME VALUE FOR THE STATE OF COLORADO IN THE UNITED  
17 STATES BUREAU OF THE CENSUS AMERICAN COMMUNITY SURVEY,  
18 ADJUSTED FOR INFLATION OR DEFLATION THROUGH THE FOURTH QUARTER  
19 OF THE CALENDER YEAR THAT IMMEDIATELY PRECEDES THE FIRST  
20 PROPERTY TAX YEAR OF THE PROPERTY TAX REASSESSMENT CYCLE AND  
21 ROUNDED TO THE NEAREST ONE THOUSAND DOLLARS.

22 (b) "INFLATION OR DEFLATION" MEANS THE PERCENTAGE CHANGE  
23 IN THE FEDERAL HOUSING FINANCE AGENCY'S SEASONALLY ADJUSTED  
24 QUARTERLY PURCHASE-ONLY HOUSE PRICE INDEX FOR THE STATE OF  
25 COLORADO.

26 (c) "PROPERTY TAX REASSESSMENT CYCLE" MEANS THE  
27 REASSESSMENT CYCLE DESCRIBED IN SECTION 39-1-104 (10.2).

1           (6) (a) Notwithstanding the ten-year occupancy requirement set  
2 forth in ~~subparagraph (I) of paragraph (a) of subsection (1)~~ SUBSECTIONS  
3 (1)(a)(I) AND (1)(a)(II) of this section, an owner-occupier who DOES NOT  
4 QUALIFY FOR AN EXEMPTION PURSUANT TO SUBSECTION (1)(a)(III) OF THIS  
5 SECTION AND WHO has not actually owned and occupied residential real  
6 property for which the owner-occupier has claimed an exemption ~~under~~  
7 ~~said subsection (1)~~ PURSUANT TO SUBSECTION (1)(a)(I) OR (1)(a)(II) OF  
8 THIS SECTION for the ten years preceding the assessment date ~~shall be~~ IS  
9 deemed to have met the ten-year requirement and ~~shall be~~ IS allowed an  
10 exemption ~~under said subsection (1)~~ PURSUANT TO SUBSECTION (1)(a)(I)  
11 OR (1)(a)(II) OF THIS SECTION with respect to the property if:

12           (I) The owner-occupier would have qualified for the exemption  
13 with respect to other residential real property that the owner-occupier  
14 owned and occupied as ~~his or her~~ THE OWNER-OCCUPIER'S primary  
15 residence before moving to the residential real property for which an  
16 exemption is claimed but for the fact that the other property was  
17 condemned by a governmental entity through an eminent domain  
18 proceeding; or

19           (I.5) For property tax years commencing on or after January 1,  
20 2015, the owner-occupier would have qualified for the exemption with  
21 respect to other residential real property that the owner-occupier owned  
22 and occupied as ~~his or her~~ THE OWNER-OCCUPIER'S primary residence  
23 before moving to the residential real property for which an exemption is  
24 claimed but for the fact that a natural disaster destroyed the former  
25 primary residence or otherwise rendered it uninhabitable; and

26           (II) The owner-occupier has not owned and occupied residential  
27 property as ~~his or her~~ THE OWNER-OCCUPIER'S primary residence other

1 than the residential real property for which an exemption is claimed since  
2 the condemnation occurred.

3 **SECTION 2. Act subject to petition - effective date.** (1) Except  
4 as otherwise provided in subsections (2) and (3) of this section, this act  
5 takes effect at 12:01 a.m. on the day following the expiration of the  
6 ninety-day period after final adjournment of the general assembly.

7 (2) If a referendum petition is filed pursuant to section 1 (3) of  
8 article V of the state constitution against this act or an item, section, or  
9 part of this act within the period specified in subsection (1) of this  
10 section, then the act, item, section, or part will not take effect unless  
11 approved by the people at the general election to be held in November  
12 2026 and, in such case, will take effect on the date of the official  
13 declaration of the vote thereon by the governor.

14 (3) Section 39-3-203 (1)(a) and (6)(a), Colorado Revised Statutes,  
15 as amended in section 1 of this act, takes effect only if the general  
16 assembly refers a ballot title to amend the Colorado constitution to allow  
17 a senior, or the surviving spouse of such a senior, who has previously  
18 qualified for the property tax exemption allowed by section 3.5 (1)(a) and  
19 (1)(b) of article X of the Colorado constitution for 2016 or any later year  
20 for a prior residence to claim the exemption for the senior's or surviving  
21 spouse's current residence regardless of how long the senior or surviving  
22 spouse has owned and occupied that residence to the registered electors  
23 of the state at the 2026 general election and the ballot title is approved, in  
24 which case section 39-3-203 (1)(a) and (6)(a), Colorado Revised Statutes,  
25 as amended in section 1 of this act, takes effect on the date of the official  
26 declaration of the vote thereon by the governor.