

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

BILL B

LLS NO. 25-0216.01 Alison Killen x4350

SENATE BILL

SENATE SPONSORSHIP

Mullica and Hansen, Liston

HOUSE SPONSORSHIP

Marshall and Joseph, Weissman

Senate Committees

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, 39-22-544, **amend**
24 (4.5) introductory portion, (4.5)(d), and (6); and **add** (3)(c) as follows:

25 **39-22-544. Credit against tax - qualifying seniors - creation -**
26 **legislative declaration - definitions.** (3) (c) (I) FOR THE INCOME TAX
27 YEARS COMMENCING ON JANUARY 1, 2025, AND JANUARY 1, 2026, A

1 QUALIFYING SENIOR IS ALLOWED A CREDIT AGAINST THE TAX IMPOSED BY
2 THIS ARTICLE 22 IN AN AMOUNT SET FORTH IN SUBSECTION (4.5) OF THIS
3 SECTION.

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

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

8 (B) HAS, FOR THE APPLICABLE INCOME TAX YEAR, A FEDERAL
9 ADJUSTED GROSS INCOME LESS THAN OR EQUAL TO SEVENTY-FIVE
10 THOUSAND DOLLARS FOR AN INDIVIDUAL FILING A SINGLE RETURN, OR HAS
11 A FEDERAL ADJUSTED GROSS INCOME LESS THAN OR EQUAL TO ONE
12 HUNDRED TWENTY-FIVE THOUSAND DOLLARS FOR AN INDIVIDUAL FILING
13 A JOINT RETURN; AND

14 (C) HAS NOT CLAIMED A PROPERTY TAX EXEMPTION UNDER
15 SECTION 39-3-203 FOR THE PROPERTY TAX YEAR THAT COINCIDES WITH
16 THE APPLICABLE INCOME TAX YEAR ON OR BEFORE AUGUST 15 OF THE
17 APPLICABLE INCOME TAX YEAR.

18 (4.5) For the income tax ~~year~~ YEARS commencing on January 1,
19 2024, JANUARY 1, 2025, AND JANUARY 1, 2026:

20 (d) Notwithstanding subsections (4.5)(a), (4.5)(b), and (4.5)(c) of
21 this section, a taxpayer who also qualifies for a grant under article 31 of
22 this title 39 during calendar year 2024, **2025**, OR **2026** is eligible to
23 receive the full credit without an income-based reduction that otherwise
24 applies for the taxpayer pursuant to subsections (4.5)(a), (4.5)(b), and
25 (4.5)(c) of this section.

26 (6) The department of revenue may use the reports received from
27 the property tax administrator in accordance with section 39-3-207 (8) for

1 purposes of confirming that a taxpayer meets the eligibility requirement
2 set forth in ~~subsection~~ SUBSECTIONS (3)(b)(II)(C) AND (3)(c)(II)(C) of this
3 section.

4 **SECTION 3. Safety clause.** The general assembly finds,
5 determines, and declares that this act is necessary for the immediate
6 preservation of the public peace, health, or safety or for appropriations for
7 the support and maintenance of the departments of the state and state
8 institutions.