

CHAPTER 234

TAXATION

SENATE BILL 05-232

BY SENATOR(S) Shaffer, Bacon, Hanna, Tapia, and Tupa;
also REPRESENTATIVE(S) Pommer, Berens, Buescher, Carroll M., Carroll T., Cloer, Gallegos, Green, Kerr, King, Knoedler,
Madden, Massey, Merrifield, Paccione, Solano, Stafford, and Todd.

AN ACT**CONCERNING THE PROPERTY TAX DEFERRAL PROGRAM FOR THE ELDERLY AND MILITARY PERSONNEL.**

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

SECTION 1. 39-3.5-103 (1) (d), Colorado Revised Statutes, is amended, and the said 39-3.5-103 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

39-3.5-103. Property entitled to deferral - repeal. (1) In order to qualify for real property tax deferral under this article, the property shall meet all of the following requirements at the time the claim is filed and so long thereafter as payment is deferred:

(d) (I) PRIOR TO JANUARY 1, 2006, the property may not be subject to the lien of a mortgage or deed of trust which has been of record for less than five years prior to the date on which a claim for deferral is submitted to the county treasurer; except that:

(A) If a certificate of tax deferral was issued for property prior to January 1, 1980, such deferral shall be valid and such property may continue to qualify for tax deferral in subsequent years even though a mortgage or deed of trust on the property before said date has not been of record for five years prior to the date on which a claim for deferral is submitted;

(B) If there is of record a subordination agreement whereby the holder of a mortgage or deed of trust, which has not been of record for five years prior to the date on which a claim for deferral is submitted, agrees to subordinate such mortgage or deed of trust to the lien of the state for deferred taxes, the property may qualify for

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

tax deferral.

(II) THIS PARAGRAPH (d) IS REPEALED, EFFECTIVE JANUARY 1, 2006.

(d.5) (I) ON OR AFTER JANUARY 1, 2006, EITHER OF THE FOLLOWING APPLIES TO THE PROPERTY:

(A) THE OWNER OF THE PROPERTY IS A PERSON WHO IS SIXTY-FIVE YEARS OF AGE OR OLDER, AND THE TOTAL VALUE OF ALL LIENS OF MORTGAGES AND DEEDS OF TRUST ON THE PROPERTY, EXCLUDING ANY MORTGAGE OR DEED OF TRUST THAT THE HOLDER HAS AGREED, ON A FORM DESIGNATED BY THE STATE TREASURER, TO SUBORDINATE TO THE LIEN OF THE STATE FOR DEFERRED TAXES, IS LESS THAN OR EQUAL TO SEVENTY-FIVE PERCENT OF THE ACTUAL VALUE OF THE PROPERTY, AS DETERMINED BY THE COUNTY ASSESSOR; OR

(B) THE OWNER OF THE PROPERTY IS A PERSON CALLED INTO MILITARY SERVICE, AND THE TOTAL VALUE OF ALL LIENS OF MORTGAGES AND DEEDS OF TRUST ON THE PROPERTY, EXCLUDING ANY MORTGAGE OR DEED OF TRUST THAT THE HOLDER HAS AGREED, ON A FORM DESIGNATED BY THE STATE TREASURER, TO SUBORDINATE TO THE LIEN OF THE STATE FOR DEFERRED TAXES, IS LESS THAN OR EQUAL TO NINETY PERCENT OF THE ACTUAL VALUE OF THE PROPERTY, AS DETERMINED BY THE COUNTY ASSESSOR.

(II) FOR PURPOSES OF THIS PARAGRAPH (d.5), THE ACTUAL VALUE OF THE PROPERTY SHALL BE THE MOST RECENT APPRAISAL BY THE COUNTY ASSESSOR AS OF THE TIME THE CLAIM FOR DEFERRAL IS SUBMITTED TO THE COUNTY TREASURER.

SECTION 2. 39-3.5-104 (1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

39-3.5-104. Claim form - contents. (1) A taxpayer's claim for deferral shall be in writing on a form prescribed by the state treasurer and supplied by the county treasurer and shall:

(d.5) ON OR AFTER JANUARY 1, 2006, LIST THE ACTUAL VALUE OF THE PROPERTY BASED ON THE MOST RECENT APPRAISAL BY THE COUNTY ASSESSOR;

SECTION 3. 39-3.5-112, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

39-3.5-112. Election by spouse to continue tax deferral. (1.5) (a) NOTWITHSTANDING THE PROVISIONS OF SECTION 39-3.5-110 (1) (a), WHEN A TAXPAYER WHO CLAIMED A TAX DEFERRAL PURSUANT TO THIS ARTICLE DIES, THE LOAN FOR DEFERRED REAL PROPERTY TAXES, INCLUDING ACCRUED INTEREST, SHALL NOT BECOME PAYABLE IF:

(I) THE TAXPAYER WAS A PERSON CALLED INTO MILITARY SERVICE;

(II) THE TAXPAYER IS SURVIVED BY A SPOUSE; AND

(III) THE PROPERTY IS THE HOMESTEAD OF THE SURVIVING SPOUSE AND MEETS THE REQUIREMENTS OF SECTION 39-3.5-103 (1) (b) AND (1) (c).

(b) IF PARAGRAPH (a) OF THIS SUBSECTION (1.5) APPLIES, A LOAN FOR DEFERRED REAL PROPERTY TAXES, INCLUDING ACCRUED INTEREST, SHALL BECOME PAYABLE WHEN THE SPOUSE OF THE TAXPAYER DIES, IN ADDITION TO THE EVENTS SET FORTH IN SECTION 39-3.5-110.

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 1, 2005