

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0440.01 Alison Killen x4350

HOUSE BILL 26-1120

HOUSE SPONSORSHIP

Martinez and Velasco,

SENATE SPONSORSHIP

Simpson and Kipp,

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE IMPLEMENTATION OF THE RECOMMENDATIONS OF**
102 **THE MOBILE HOME TAXATION TASK FORCE, AND, IN**
103 **CONNECTION THEREWITH, INCREASING THE VALUE THRESHOLD**
104 **FOR THE MOBILE HOME PROPERTY TAX EXEMPTION, MODIFYING**
105 **THE PROCESS FOR THE COLLECTION OF DELINQUENT PROPERTY**
106 **TAXES TO ALIGN WITH REAL PROPERTY TAX LIEN SALE AND**
107 **PUBLIC AUCTION PROCEDURES, EXTENDING THE REDEMPTION**
108 **PERIOD FOR MOBILE HOME OWNERS, AND CLARIFYING THAT A**
109 **MOBILE HOME OWNER UNDER LEGAL DISABILITY IS ENTITLED TO**
110 **AN EXTENDED REDEMPTION PERIOD OF UP TO NINE YEARS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does

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.

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>.)

The mobile home taxation task force (task force) was created in 2024 to examine and make recommendations concerning constitutional defects in the process for collection of delinquent mobile home property taxes. The task force was also charged with studying existing laws for titling, tax valuation for assessment, and other mobile home tax-related issues and recommending changes to promote fair, equitable, efficient, and effective practices for valuation, titling, and taxation.

Section 1 of the bill clarifies the definition of mobile home and increases, for property tax years commencing on or after January 1, 2027, the value threshold for the mobile home property tax exemption from \$28,000 to \$52,000, adjusted upward for inflation. For property tax years commencing on and after January 1, 2027, the property tax administrator is required to calculate and publish the inflation-adjusted actual value threshold for the exemption.

Section 2 requires that notice of delinquent property taxes on a mobile home be written in English and at least the 5 additional languages most commonly spoken in the mobile home owner's community; except that, if the mobile home owner is known to speak a particular language other than English, notice must be provided in English and the particular language other than English spoken by the mobile home owner. This multilingual notice must be sent by certified mail and personally delivered to the mobile home.

Section 3 modifies the process for collection of delinquent property taxes on a mobile home by eliminating the distraint sale of mobile homes and instead requiring a county treasurer to follow a tax lien sale and public auction procedure to obtain title to a mobile home similar to the procedures required to obtain a treasurer's deed to real property. **Section 3** extends the redemption period for mobile home owners to a minimum of 3 years, plus any time prior to the issuance of a certificate of title to their mobile homes. Like a real property owner, an individual who both owns a mobile home and is a person with a disability is also allowed an extended redemption period of up to 9 years from the issuance of title to their mobile home if the owner is under a legal disability at the time the title is issued.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-3-126.5, **amend**

1 (2) and (3) as follows:

2 **39-3-126.5. Mobile homes - low-value - exemption - legislative**
3 **declaration - definition.**

4 (2) As used in this section, "mobile home" means a mobile home,
5 as defined in section 39-1-102 (8) or a "manufactured home" as defined
6 in section 39-1-102 (7.8) and, in either case SECTION 38-12-201.5 (5), for
7 which a certificate of title has been issued pursuant to part 1 of article 29
8 of title 38 and that does not have a certificate of permanent location
9 pursuant to section 38-29-202.

10 (3) (a) For property tax years commencing on or after January 1,
11 2022, BUT BEFORE JANUARY 1, 2027, a mobile home with an actual value
12 that is less than or equal to twenty-eight thousand dollars is exempt from
13 the levy and collection of property tax.

14 (b) (I) FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER
15 JANUARY 1, 2027, A MOBILE HOME WITH AN ACTUAL VALUE THAT IS LESS
16 THAN OR EQUAL TO FIFTY-TWO THOUSAND DOLLARS, ADJUSTED FOR
17 INFLATION, IS EXEMPT FROM THE LEVY AND COLLECTION OF PROPERTY
18 TAX.

19 (II) BEGINNING WITH THE PROPERTY TAX YEAR COMMENCING ON
20 JANUARY 1, 2027, THE AMOUNT OF THE EXEMPTION IN SUBSECTION
21 (3)(b)(I) OF THIS SECTION SHALL BE ADJUSTED UPWARD BIENNIALLY TO
22 ACCOUNT FOR INFLATION SINCE THE AMOUNT OF THE EXEMPTION LAST
23 CHANGED. ON OR BEFORE NOVEMBER 1, 2026, AND IN EACH
24 EVEN-NUMBERED YEAR THEREAFTER, THE ADMINISTRATOR SHALL
25 CALCULATE THE AMOUNT OF THE EXEMPTION FOR THE NEXT TWO-YEAR
26 CYCLE USING INFLATION FOR THE PRIOR TO CALENDAR YEAR AS OF THE
27 DATE OF THE CALCULATION. THE ADJUSTED EXEMPTION SHALL BE

1 ROUNDED UPWARD TO THE NEAREST ONE HUNDRED DOLLAR INCREMENT.
2 THE ADMINISTRATOR SHALL CERTIFY THE AMOUNT OF THE EXEMPTION FOR
3 THE NEXT TWO-YEAR CYCLE AND PUBLISH THE AMOUNT ON THE WEBSITE
4 MAINTAINED BY THE DIVISION OF PROPERTY TAXATION IN THE
5 DEPARTMENT OF LOCAL AFFAIRS. INFLATION IS MEASURED BY THE ANNUAL
6 PERCENTAGE INCREASE IN THE UNITED STATES DEPARTMENT OF LABOR'S
7 BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX, OR A SUCCESSOR
8 INDEX, FOR DENVER-AURORA-LAKWOOD FOR "ALL ITEMS" PAID FOR BY
9 URBAN CONSUMERS.

10 **SECTION 2.** In Colorado Revised Statutes, 39-10-109, **add** (3)
11 as follows:

12 **39-10-109. Delinquent tax list - notice.**

13 (3) (a) THE TREASURER SHALL PROVIDE NOTICE PURSUANT TO
14 SUBSECTION (2) OF THIS SECTION AND ANY OTHER NOTICE OR STATEMENT
15 REQUIRED BY LAW IN CONNECTION WITH THE COLLECTION OF DELINQUENT
16 TAXES ON MOBILE HOMES, AS DESCRIBED IN SECTION 39-10-111.5 (1),
17 WRITTEN IN ENGLISH AND AT LEAST FIVE ADDITIONAL LANGUAGES THAT
18 ARE KNOWN TO BE MOST COMMONLY SPOKEN IN THE COUNTY; EXCEPT
19 THAT, IF THE MOBILE HOME OWNER IS KNOWN TO SPEAK A PARTICULAR
20 LANGUAGE OTHER THAN ENGLISH, NOTICE MUST BE PROVIDED PURSUANT
21 TO SUBSECTION (2) OF THIS SECTION WRITTEN IN ENGLISH AND THE
22 PARTICULAR LANGUAGE OTHER THAN ENGLISH SPOKEN BY THE MOBILE
23 HOME OWNER.

24 (b) THE TREASURER SHALL PROVIDE NOTICE WRITTEN IN
25 ACCORDANCE WITH SUBSECTION (3)(a) OF THIS SECTION BY SENDING THE
26 NOTICE BY CERTIFIED MAIL AND BY PERSONAL SERVICE TO THE MOBILE
27 HOME OWNER AT THE MOBILE HOME, IN ACCORDANCE WITH SECTION

1 39-10-111.5 (2)(a).

2 **SECTION 3.** In Colorado Revised Statutes, 39-10-111.5, **amend**
3 (2)(a), (2)(c), (3), (4), (5), and (6); and **repeal** (7) as follows:

4 **39-10-111.5. Mobile homes - tax lien sale - redemption - public**
5 **auction.**

6 (2) (a) ~~Before May 31, 2024~~, COMMENCING ON AND AFTER JULY
7 1, 2026, any time after the first day of October, the treasurer may enforce
8 collection of delinquent taxes on mobile homes by ~~commencing a court~~
9 ~~action for collection or employing a collection agency as provided in~~
10 ~~section 39-10-112 or by distraining, seizing, and selling OR STRIKING OFF~~
11 ~~TO THE COUNTY A TAX LIEN ON~~ the mobile home. Whenever a ~~distrain~~
12 ~~warrant~~ DELINQUENT TAX NOTICE is issued PURSUANT TO SECTION
13 30-10-109, it shall be served by the sheriff or a commissioned deputy or,
14 at the discretion of the sheriff, by a private server of process hired for the
15 purpose. Any cost incurred as a result of hiring a private server of process
16 shall be paid by the sheriff's office, and the cost shall not exceed the
17 amount specified in section 30-1-104 (1)(a).

18 (c) The treasurer receiving such certificate shall proceed to
19 ~~distrain, seize, and sell OR STRIKE OFF TO THE COUNTY A TAX LIEN ON~~ such
20 mobile home in ACCORDANCE WITH THIS SECTION AND IN the same
21 manner as if it were originally taxed in ~~his or her~~ THE TREASURER'S
22 county. ~~and if the treasurer proceeds, he or she~~ THE TREASURER shall
23 remit the net proceeds, after payment of any sheriff's fees and other costs
24 of ~~seizure and~~ THE TAX LIEN sale, to the treasurer who certified the
25 delinquency FOR DISTRIBUTION IN ACCORDANCE WITH THIS SECTION.

26 (3) Whenever a mobile home is ~~distrained and seized~~ SUBJECT TO
27 A TAX LIEN SALE, the treasurer, the treasurer's deputy, or an authorized

1 agent of the treasurer shall ~~deliver~~ SEND to the owner of the mobile home,
2 ~~or to his or her agent~~; AT THE OWNER'S LAST-KNOWN ADDRESS, OR TO THE
3 OCCUPANT OF THE MOBILE HOME, IF DIFFERENT FROM THE OWNER, and to
4 any lienholder of record, a statement of the amount ~~demanded and notice~~
5 ~~of the time and place fixed for the sale of the mobile home~~ OF THE
6 OWNER'S DELINQUENCY AND NOTICE THAT IF THE DELINQUENCY IS NOT
7 PAID BY THE DATE SPECIFIED IN THE NOTICE, WHICH SHALL NOT BE LESS
8 THAN SIXTY DAYS FROM THE DATE OF MAILING OF THE NOTICE, THE
9 TREASURER WILL ADVERTISE AND SELL A TAX LIEN ON THE MOBILE HOME
10 AT A PUBLIC AUCTION OR WILL STRIKE OFF A TAX LIEN ON THE MOBILE
11 HOME TO THE COUNTY ON THE DATE SPECIFIED IN THE NOTICE. A
12 STATEMENT SENT TO THE OWNER OF THE MOBILE HOME PURSUANT TO THIS
13 SUBSECTION (3) MUST COMPLY WITH THE REQUIREMENTS OF SECTION
14 39-10-109 (3).

15 (4) The treasurer ~~in his or her discretion~~, may, AT THEIR
16 DISCRETION, sell tax liens on mobile homes, ~~or~~ may strike off to the
17 county the tax liens by ~~declaring~~ MAKING them county-held, OR MAY
18 DETERMINE THE TAXES TO BE UNCOLLECTIBLE AND RECOMMEND
19 CANCELLATION BY THE BOARD OF COUNTY COMMISSIONERS IN
20 ACCORDANCE WITH SECTION 39-10-114 (2)(a). If a tax lien on a mobile
21 home will be sold, the sale shall be in accordance with article 11 of this
22 title 39. THE TREASURER SHALL ISSUE A CERTIFICATE OF PURCHASE AS
23 PROVIDED IN SECTION 39-11-117 TO THE PURCHASER OF A TAX LIEN ON A
24 MOBILE HOME OR TO THE COUNTY IF THE TAX LIEN ON A MOBILE HOME IS
25 COUNTY-HELD.

26 (5) Redemptions of mobile homes ~~shall~~ THAT ARE SUBJECT TO TAX
27 LIENS PURSUANT TO SUBSECTION (4) OF THIS SECTION MUST be in

1 accordance with article 12 SUBSECTION (6) OF THIS SECTION AND ARTICLES
2 11.5 AND 12 of this title 39. ~~except that, at the discretion of the treasurer,~~
3 ~~liens on mobile homes may be withheld from sales to investors.~~

4 (6) (a) (I) ~~A mobile home that is located on leased land or other~~
5 ~~land not owned by the owner of the mobile home, including, but not~~
6 ~~limited to, land that was previously owned by the owner of the mobile~~
7 ~~home and the ownership of which was subsequently acquired by~~
8 ~~foreclosure, and that is sold or stricken off to the county under the~~
9 ~~provisions of this section may be redeemed by the owner thereof within~~
10 ~~one year after the date of the sale~~ EXCEPT AS PROVIDED IN SUBSECTION
11 (6)(a)(II) OF THIS SECTION, A MOBILE HOME OWNER HAS THE EXCLUSIVE
12 RIGHT TO REDEEM A MOBILE HOME THAT IS SUBJECT TO A TAX LIEN AT ANY
13 TIME WITHIN THREE YEARS FROM THE DATE OF THE TAX LIEN SALE upon
14 payment to the treasurer of the ~~proceeds of the sale~~ AMOUNT OF TAXES,
15 DELINQUENT INTEREST, AND COSTS FOR WHICH THE TAX LIEN ON THE
16 MOBILE HOME WAS SOLD, interest on such amount FROM THE DATE OF THE
17 SALE at the rate that is determined pursuant to section 39-12-103 (3), and
18 all taxes due and payable on the mobile home subsequent to the tax LIEN
19 sale. ~~except as provided in subsection (7) of this section~~ AT ANY TIME
20 WITHIN THREE YEARS FROM THE DATE OF THE TAX LIEN SALE, A MOBILE
21 HOME OWNER MAY REDEEM A MOBILE HOME THAT IS SUBJECT TO THE TAX
22 LIEN AT ANY TIME BEFORE THE EXECUTION OF A CERTIFICATE OF TITLE
23 PURSUANT TO SUBSECTION (6)(c) OF THIS SECTION BY MAKING PAYMENT
24 IN ACCORDANCE WITH THIS SUBSECTION (6)(a)(I). THE COUNTY MAY, IN
25 ITS DISCRETION, REDUCE THE AMOUNT OF COSTS REQUIRED TO BE PAID BY
26 THE MOBILE HOME OWNER FOR THE SALE OF A COUNTY-HELD TAX LIEN TO
27 REDEEM THE MOBILE HOME PURSUANT TO THIS SUBSECTION (6)(a)(I).

(II) A mobile home that is located on land owned by the owner of a mobile home and that is sold under the provisions of this section may be redeemed by the owner thereof within three years after the date of the sale upon payment to the treasurer of the proceeds of the sale, interest on such amount at the rate that is determined pursuant to section 39-12-103 (3), and all taxes due and payable on the mobile home subsequent to the tax sale, except as provided in subsection (7) of this section. AN INDIVIDUAL WHO BOTH OWNS A MOBILE HOME AND IS A PERSON WITH A DISABILITY, AS DEFINED IN SECTION 39-3.7-101, AT THE TIME A CERTIFICATE OF TREASURER'S TITLE TO THE OWNER'S MOBILE HOME IS ISSUED HAS THE RIGHT TO REDEEM THE MOBILE HOME AT ANY TIME WITHIN NINE YEARS FROM THE DATE OF ISSUANCE OF THE TITLE IN ACCORDANCE WITH SECTION 39-12-104.

1 redemption has been made and ~~thereafter~~ release the tax sale lien filed
2 against the mobile home.

3 (c) If the owner has not exercised ~~his or her~~ THE right of
4 redemption ~~and after the close of the redemption period~~ PURSUANT TO
5 SUBSECTION (6)(a) OF THIS SECTION, AT ANY TIME AT LEAST THREE YEARS
6 FROM THE DATE OF THE TAX LIEN SALE, the purchaser or lawful holder of
7 the certificate of ~~sale~~ PURCHASE may apply to the treasurer for PUBLIC
8 AUCTION OF a ~~treasurer's~~ certificate of ~~ownership~~ OPTION FOR
9 TREASURER'S TITLE for the mobile home. Upon receipt of ~~such~~ AN
10 application, the treasurer shall ~~issue~~ NOTIFY THE OWNER OF THE MOBILE
11 HOME AND ANY LIENHOLDER OF RECORD WITH THE DEPARTMENT OF
12 REVENUE OR THE SECRETARY OF STATE, BY PERSONAL DELIVERY OR BY
13 CERTIFIED MAIL TO THE PERSON'S LAST-KNOWN ADDRESS, THAT AN
14 APPLICATION FOR PUBLIC AUCTION OF A CERTIFICATE OF OPTION FOR
15 TREASURER'S TITLE HAS BEEN RECEIVED AND THAT, FOLLOWING PUBLIC
16 AUCTION, THE WINNING BIDDER MAY BE ISSUED A TREASURER'S TITLE FOR
17 THE MOBILE HOME, UNLESS PAYMENT IS MADE FOR REDEMPTION. THE
18 TREASURER SHALL CONDUCT A PUBLIC AUCTION OF a ~~treasurer's~~ certificate
19 of ~~ownership to such purchaser or holder, and such certificate of~~
20 ~~ownership shall transfer to him or her all right, title, and interest in and to~~
21 ~~the mobile home~~ OPTION FOR TREASURER'S TITLE CONSISTENT WITH THE
22 PROVISIONS FOR PUBLIC AUCTION OF A CERTIFICATE OF OPTION FOR
23 TREASURER'S DEED IN ARTICLE 11.5 OF THIS TITLE 39. Such certificate of
24 ~~ownership shall~~ OPTION FOR TREASURER'S TITLE, upon application, ~~entitle~~
25 ENTITLES the purchaser or LAWFUL holder ~~thereof~~ to a certificate of title
26 to be issued and filed pursuant to part 1 of article 6 of title 42.

27 (d) THE TREASURER SHALL DISBURSE any surplus ~~of the sale~~

1 proceeds over and above the taxes, delinquent interest, and costs of
2 making the seizure and advertising the sale of a mobile home shall be
3 credited to the county general fund, and a written account of the sale shall
4 be furnished to the owner RESULTING FROM AN OVERBID, AS DEFINED IN
5 SECTION 39-11.5-101 (10), FOR A CERTIFICATE OF OPTION FOR
6 TREASURER'S TITLE, TO THE PRIOR OWNER OF THE MOBILE HOME OR
7 OTHERWISE TO ANY PERSONS ENTITLED TO RECEIVE THEM IN ACCORDANCE
8 WITH SECTION 39-11.5-113.

9 (7) Where a mobile home has been declared to be purchased by
10 or stricken off to the county at the tax sale and where the actual value of
11 the mobile home as shown on the assessment roll has been determined by
12 the assessor to be less than one thousand dollars, the redemption period
13 for such mobile home shall be sixty days. The assessor's determination of
14 value shall be deemed accurate absent a showing of negligence on the
15 part of the assessor. On or before ten days prior to the close of the
16 redemption period, the treasurer shall notify the owner of the mobile
17 home and any lienholder of record in the department of revenue and
18 secretary of state, by personal delivery or by certified or registered mail
19 to the last-known address, that the mobile home may be declared
20 condemned and may be disposed of at the end of the redemption period.
21 The treasurer has the authority to so declare a mobile home condemned
22 after the redemption period has terminated. After the titled mobile home
23 is declared condemned, it may be disposed of as the treasurer deems
24 appropriate.

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.