



# Fiscal Note

## Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

### SB 26-001: WORKFORCE HOUSING & HOUSING TAX CREDIT

**Prime Sponsors:**

Sen. Roberts; Bridges  
Rep. Boesenecker; Richardson

**Fiscal Analyst:**

Josh Abram, 303-866-3561  
josh.abram@coleg.gov

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**Version:** First Revised Note

**Date:** February 24, 2026

**Fiscal note status:** The revised fiscal note reflects the reengrossed bill.

### Summary Information

**Overview.** The bill allows a county to spend property tax revenue in its general fund for housing authorities and workforce housing, and sell real property for the development of affordable housing, or housing identified in a housing needs report. The bill also permits a governmental entity to transfer the middle-income housing tax credit to any taxpayer.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- State Revenue
- State Expenditures
- Local Government

**Appropriations.** No appropriation is required.

**Table 1  
State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## Summary of Legislation

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The bill expands the authority of county and municipal governments to sell public buildings or real property, other than park property, if the sale is for the development of affordable housing, or for housing that has been identified in the county's housing needs assessment.

The bill also allows a multijurisdictional housing authority to place ballot questions concerning taxes, impact fees, or debt before voters at a general election, biennial local election, or any election held in November of odd-numbered years. A contract creating a housing authority may be conditioned on voter approval, and may also be combined with a ballot question concerning taxes, impact fees or multiple-fiscal year debt of the authority.

Under current law, money from property taxes in a county's general fund may not be appropriated for housing authorities. This bill removes the prohibition and authorizes a county to appropriate any money in its general fund for workforce housing, housing programs, and housing authorities from any other specified funds established by the county commissioners.

Under current law, the Colorado Housing and Finance Authority (CHFA) may allocate the middle-income tax credit to any governmental or quasi-governmental entity, which in turn may transfer those credits to a qualified taxpayer who has an ownership interest in a qualified development. Beginning in 2027, this bill permits the credit transfer to any taxpayer subject to income taxes that acquired credits from a governmental entity developing affordable housing. If the tax credit becomes subject to recapture by the Department of Revenue, the transferee has the same burden to repay as any owner of the allocated tax credit.

## State Revenue and Expenditures

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Changes to taxpayer eligibility for transferred credits will not require any programming or other administrative effort to implement by the Department of Revenue. Although allowing additional taxpayers to claim the credit may increase the total number of claims, the total value of tax credits allocated by CHFA remains unchanged, and any increase in the number of claims is expected to be minimal and accomplished within existing appropriations.

## Local Government

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This bill allows a Board of County Commissioners to sell real property and appropriate ad valorem taxes (i.e., property taxes) from the county's general fund for workforce housing and for housing authorities. The bill provides discretionary authority and flexibility to counties that choose to sell property or use funds for this additional purpose. Any change in expenditures will depend on decisions made by individual counties.

With more taxpayers becoming eligible for transferred middle-income housing tax credits, local governments may see increased investment in qualified low-income housing projects.

## **Effective Date**

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Changes to the middle-income tax credit take effect January 1, 2027, and the remainder of the bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## **State and Local Government Contacts**

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Colorado Housing and Finance Authority	Local Affairs
Law	Revenue

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).