

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 19-0574.02 Ed DeCecco x4216

HOUSE BILL 19-1085

HOUSE SPONSORSHIP

Exum,

SENATE SPONSORSHIP

Zenzinger,

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE PROPERTY-RELATED EXPENSE ASSISTANCE GRANTS**
102 **FOR LOW-INCOME SENIORS AND INDIVIDUALS WITH**
103 **DISABILITIES, AND, IN CONNECTION THEREWITH, MAKING AN**
104 **APPROPRIATION.**

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>.)

A low-income senior or individual with a disability is currently eligible for 2 types of annual state assistance grants administered by the department of revenue related to his or her property: A grant for their

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

property taxes or rent paid, with the latter being deemed a tax-equivalent payment (property tax and rent assistance grant), and a grant for heat or fuel expenses (heat assistance grant). Together these are commonly known as the "PTC" rebate.

The bill expands the property tax and rent assistance grant by repealing the requirement that rent must be paid to a landlord that pays property tax. For grants claimed for 2019, the bill also increases the grant amounts as follows:

- ! The maximum property tax and rent assistance grant is increased from \$700 to \$850;
- ! The maximum heat assistance grant is increased from \$192 to \$250; and
- ! The flat grant amount, which is the minimum grant amount, is increased from \$227 to \$275 for the property tax and rent assistance grant and from \$73 to \$100 for the heat assistance grant, assuming that the actual expenses exceed these amounts.

All of these amounts will continue to be adjusted annually for inflation.

For grants claimed for 2019, the maximum eligible income amounts for claiming the PTC rebates and the phase-out amounts, which are the income levels at which a person's maximum grant begins to decrease, are increased from the estimated inflation-adjusted amounts as follows:

- ! For an individual, the maximum eligible income amount to qualify for either type of grant is increased from \$14,469 to \$17,500 and the phase-out amount is increased from \$7,780 to \$9,500; and
- ! For spouses, the maximum eligible income amount to qualify for either type of grant is increased from \$19,541 to \$23,500 and the phase-out amount is increased from \$12,576 to \$15,500.

All of these amounts will also continue to be adjusted for inflation in the future.

Obsolete provisions relating to grants claimed for past years are repealed and other provisions relating to grants prior to 2019 are repealed after they become obsolete in the future.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-31-101, **amend**
3 (2)(a.5), (2)(c), (2.3), (3) introductory portion, (3)(b) introductory portion,
4 (4), and (5); **repeal** (2)(a) introductory portion, (2)(a)(III), (2)(b)

1 introductory portion, and (2)(b)(III); and **add** (2)(d) as follows:

2 **39-31-101. Real property tax - tax equivalent - assistance -**
3 **eligibility - applicability - definitions - repeal.** (2) A grant is the
4 amount of the general property taxes actually paid on the residence or the
5 amount of taxes actually paid on a mobile home, plus any tax-equivalent
6 payments computed pursuant to subsection (4) of this section, with
7 respect to the rent of a trailer space during the year for which the grant is
8 claimed, the amount of the specific ownership tax actually paid on a
9 trailer coach, or the amount of the tax-equivalent payments, computed
10 pursuant to subsection (4) of this section, actually made during the year
11 for which such grant is claimed, but in no event may it exceed:

12 (a) ~~In the case of an individual:~~

13 (III) ~~For grants claimed for years commencing on or after January~~
14 ~~1, 2008, but before January 1, 2014, six hundred dollars reduced by ten~~
15 ~~percent of the amount by which the individual's income exceeds six~~
16 ~~thousand dollars in 2008, and, each year thereafter, the amount for the~~
17 ~~prior year adjusted for inflation.~~

18 (a.5) (I) Except as set forth in subsection (2.3) of this section, for
19 grants claimed for years commencing on or after January 1, 2014, BUT
20 BEFORE JANUARY 1, 2019, in the case of an individual whose income is
21 less than or equal to twelve thousand seven hundred twenty dollars, seven
22 hundred dollars reduced by ten percent of the amount by which the
23 individual's income exceeds six thousand six hundred thirty-nine dollars
24 or two hundred twenty-seven dollars, whichever amount is greater.

25 (II) THIS SUBSECTION (2)(a.5) IS REPEALED, EFFECTIVE JULY 1,
26 2021.

27 (b) ~~In the case of spouses:~~

1 (III) ~~For grants claimed for years commencing on or after January~~
2 ~~1, 2008, but before January 1, 2014, six hundred dollars reduced by ten~~
3 ~~percent of their income over nine thousand seven hundred dollars in 2008,~~
4 ~~and, each year thereafter, the amount for the prior year adjusted for~~
5 ~~inflation.~~

6 (c) (I) Except as set forth in subsection (2.3) of this section, for
7 grants claimed for years commencing on or after January 1, 2014, BUT
8 BEFORE JANUARY 1, 2019, in the case of spouses whose income is less
9 than or equal to seventeen thousand one hundred forty-six dollars, seven
10 hundred dollars reduced by ten percent of their income over ten thousand
11 seven hundred thirty-one dollars, or two hundred twenty-seven dollars,
12 whichever amount is greater.

13 (II) THIS SUBSECTION (2)(c) IS REPEALED, EFFECTIVE JULY 1, 2021.

14 (d) FOR A GRANT CLAIMED FOR THE 2019 CALENDAR YEAR, EITHER
15 SEVEN HUNDRED THIRTY-FIVE DOLLARS REDUCED BY TEN PERCENT OF THE
16 CLAIMANT'S INCOME OVER THE PHASE-OUT AMOUNT OR THE FLAT GRANT
17 AMOUNT, WHICHEVER AMOUNT IS GREATER. FOR A GRANT CLAIMED FOR
18 YEARS COMMENCING ON OR AFTER JANUARY 1, 2020, EITHER THE
19 MAXIMUM GRANT AMOUNT ALLOWED UNDER THIS SUBSECTION (2)(d) FOR
20 THE PRIOR YEAR, ADJUSTED FOR INFLATION AND REDUCED BY TEN
21 PERCENT OF THE CLAIMANT'S INCOME OVER THE PHASE-OUT AMOUNT, OR
22 THE FLAT GRANT AMOUNT, WHICHEVER AMOUNT IS GREATER.

23 (2.3) (I) For grants claimed for years commencing on or after
24 January 1, 2015, BUT PRIOR TO JANUARY 1, 2019, the income thresholds
25 used to determine the eligibility for and amount of a grant pursuant to
26 subsection (2) of this section are equal to the income thresholds for the
27 prior year adjusted for inflation.

1 (II) THIS SUBSECTION (2.3) IS REPEALED, EFFECTIVE JULY 1, 2021.

2 (3) Such grant ~~shall be~~ IS allowed to such persons as described in
3 subsection (1) of this section who meet the following requirements:

4 (b) Have income from all sources for the taxable year of less than
5 the maximum ELIGIBLE INCOME amount, ~~for which such persons are~~
6 ~~eligible to receive a grant based on the operation of paragraphs (a), (a.5),~~
7 ~~(b), and (c) of subsection (2) of this section, including~~ WHICH INCLUDES,
8 but IS not limited to, for this purpose, alimony, ~~support money,~~ cash
9 public assistance and relief, pension or annuity benefits, federal social
10 security benefits, veterans' benefits, nontaxable interest, workers'
11 compensation, and unemployment compensation benefits. For the
12 purposes of this ~~paragraph (b)~~ SUBSECTION (3)(b), the following ~~shall~~ ARE
13 not ~~be~~ considered income:

14 (4) (a) The tax-equivalent amount for persons otherwise qualified
15 who paid rent for the right to occupy premises ~~upon which ad valorem~~
16 ~~taxes were levied,~~ as a residence during the taxable year ~~shall be~~
17 ~~considered as~~ IS twenty percent of the actual rent paid during the taxable
18 year, not including any charge for utilities or food.

19 (b) To qualify as a tax-equivalent payment, rent must have been
20 paid as a part of a bona fide tenancy or leasing agreement and shall not
21 include any portion of payments made to institutions or facilities
22 ~~commonly known as nursing homes but shall include rent paid to a public~~
23 ~~housing authority and~~ rent paid for the use of a mobile home or paid on
24 ~~trailer space if paid as a part of a bona fide tenancy.~~

25 (5) As used in this section:

26 (a) "FLAT GRANT AMOUNT" MEANS AN AMOUNT EQUAL TO TWO
27 HUNDRED ~~THIRTY-EIGHT~~ DOLLARS FOR THE 2019 CALENDAR YEAR, AND

1 FOR EACH YEAR THEREAFTER THE AMOUNT FOR THE PRIOR YEAR ADJUSTED
2 FOR INFLATION.

3 (b) "Inflation" means the annual percentage change in the United
4 States department of labor, bureau of labor statistics, consumer price
5 index for ~~Denver-Boulder-Greeley~~, DENVER-AURORA-LAKEWOOD FOR
6 all items AND all urban consumers, or its successor index.

7 (c) "MAXIMUM ELIGIBLE INCOME AMOUNT" MEANS:

8 (I) FOR AN INDIVIDUAL, INCOME THAT IS LESS THAN OR EQUAL TO
9 FIFTEEN THOUSAND ONE HUNDRED NINETY-TWO DOLLARS FOR THE 2019
10 CALENDAR YEAR AND FOR EACH YEAR THEREAFTER, THE AMOUNT FOR THE
11 PRIOR YEAR ADJUSTED FOR INFLATION; AND

12 (II) FOR SPOUSES, INCOME THAT IS LESS THAN OR EQUAL TO
13 TWENTY THOUSAND FIVE HUNDRED EIGHTEEN DOLLARS FOR THE 2019
14 CALENDAR YEAR AND FOR EACH YEAR THEREAFTER, THE AMOUNT FOR THE
15 PRIOR YEAR ADJUSTED FOR INFLATION.

16 (d) "PHASE-OUT AMOUNT" MEANS:

17 (I) IN THE CASE OF AN INDIVIDUAL, AN AMOUNT EQUAL TO EIGHT
18 THOUSAND ONE HUNDRED SIXTY-NINE DOLLARS FOR THE 2019 CALENDAR
19 YEAR AND FOR EACH YEAR THEREAFTER, THE AMOUNT FOR THE PRIOR
20 YEAR ADJUSTED FOR INFLATION; AND

21 (II) IN THE CASE OF SPOUSES, AN AMOUNT EQUAL TO THIRTEEN
22 THOUSAND TWO HUNDRED FIVE DOLLARS FOR THE 2019 CALENDAR YEAR
23 AND FOR EACH YEAR THEREAFTER, THE AMOUNT FOR THE PRIOR YEAR
24 ADJUSTED FOR INFLATION.

25 **SECTION 2.** In Colorado Revised Statutes, 39-31-102, **amend**
26 (4) as follows:

27 **39-31-102. Procedures to obtain grant - department of revenue**

1 - **responsibilities.** (4) ~~The property tax assistance grant~~ A GRANT
2 AUTHORIZED BY SECTION 39-31-101 THAT IS CLAIMED FOR GENERAL
3 PROPERTY TAXES shall ~~in no case~~ NOT exceed the amount of the ~~general~~
4 ~~property~~ taxes actually paid. A grant for property taxes or tax-equivalent
5 amounts paid under section 39-31-101 shall not be made unless properly
6 claimed on or before the expiration of twenty-four months after the end
7 of the income tax year during which such taxes or tax-equivalent amounts
8 were actually paid.

9 **SECTION 3.** In Colorado Revised Statutes, 39-31-104, **amend**
10 (1)(a)(II), (2) introductory portion, (2)(a.5), (2)(c), (2.3), (3) introductory
11 portion, (3)(b) introductory portion, and (4); **repeal** (2)(a) introductory
12 portion, (2)(a)(III), (2)(b) introductory portion, and (2)(b)(III); and **add**
13 (2)(d) as follows:

14 **39-31-104. Heat or fuel expenses assistance - eligibility -**
15 **applicability - definitions - repeal.** (1) (a) (II) For persons otherwise
16 qualified who paid heat or fuel expenses indirectly as part of their rental
17 payments, it shall be presumed that ten percent of the actual rent paid
18 during the taxable year was for heat or fuel expenses. For rental payments
19 to qualify under this ~~subparagraph (II)~~ SUBSECTION (1)(a)(II), they must
20 have been paid as a part of a bona fide tenancy or lease agreement. Rental
21 payments made to institutions or facilities commonly known as nursing
22 homes shall not qualify, but rental payments ~~made to a public housing~~
23 ~~authority or for the use of a mobile home shall qualify if paid as a part of~~
24 ~~a bona fide tenancy or lease agreement.~~

25 (2) The AMOUNT OF THE ~~grant shall be as follows~~ IS:

26 (a) ~~In the case of an individual:~~

27 (III) ~~For grants claimed for years commencing on or after January~~

1 ~~1, 2008, but before January 1, 2014, one hundred ninety-two dollars~~
2 ~~reduced by three and two-tenths percent of the amount by which the~~
3 ~~individual's income exceeds six thousand dollars in 2008, and, each year~~
4 ~~thereafter, the amount for the prior year adjusted for inflation.~~

5 (a.5) (I) Except as set forth in subsection (2.3) of this section, for
6 grants claimed for years commencing on or after January 1, 2014, BUT
7 BEFORE JANUARY 1, 2019, in the case of an individual whose income is
8 less than or equal TO twelve thousand seven hundred twenty dollars, one
9 hundred ninety-two dollars reduced by three and two-tenths percent of the
10 amount by which the individual's income exceeds six thousand six
11 hundred thirty-nine dollars or seventy-three dollars, whichever amount is
12 greater.

13 (II) THIS SUBSECTION (2)(a.5) IS REPEALED, EFFECTIVE JULY 1,
14 2021.

15 (b) ~~In the case of spouses:~~

16 (III) ~~For grants claimed for years commencing on or after January~~
17 ~~1, 2008, but before January 1, 2014, one hundred ninety-two dollars~~
18 ~~reduced by three and two-tenths percent of their income over nine~~
19 ~~thousand seven hundred dollars in 2008, and, each year thereafter, the~~
20 ~~amount for the prior year adjusted for inflation.~~

21 (c) (I) Except as set forth in subsection (2.3) of this section, for
22 grants claimed for years commencing on or after January 1, 2014, BUT
23 BEFORE JANUARY 1, 2019, in the case of spouses whose income is less
24 than or equal to seventeen thousand one hundred forty-six dollars, one
25 hundred ninety-two dollars reduced by three and two-tenths percent of
26 their income over ten thousand seven hundred thirty-one dollars or
27 seventy-three dollars, whichever amount is greater.

1 (II) THIS SUBSECTION (2)(c) IS REPEALED, EFFECTIVE JULY 1, 2021.

2 (d) FOR A GRANT CLAIMED FOR THE 2019 CALENDAR YEAR, EITHER
3 TWO HUNDRED ~~TWO~~ DOLLARS REDUCED BY TEN PERCENT OF THE
4 CLAIMANT'S INCOME OVER THE PHASE-OUT AMOUNT OR THE FLAT GRANT
5 AMOUNT, WHICHEVER AMOUNT IS GREATER. FOR A GRANT CLAIMED FOR
6 YEARS COMMENCING ON OR AFTER JANUARY 1, 2020, EITHER THE
7 MAXIMUM GRANT AMOUNT ALLOWED UNDER THIS SUBSECTION (2)(d) FOR
8 THE PRIOR YEAR, ADJUSTED FOR INFLATION AND REDUCED BY TEN
9 PERCENT OF THE CLAIMANT'S INCOME OVER THE PHASE-OUT AMOUNT, OR
10 THE FLAT GRANT AMOUNT, WHICHEVER AMOUNT IS GREATER.

11 (2.3) (I) For grants claimed for years commencing on or after
12 January 1, 2015, BUT PRIOR TO JANUARY 1, 2019, the income thresholds
13 used to determine the eligibility for and amount of a grant pursuant to
14 subsection (2) of this section are equal to the income thresholds for the
15 prior year adjusted for inflation.

16 (II) THIS SUBSECTION (2.3) IS REPEALED, EFFECTIVE JULY 1, 2021.

17 (3) Such grant ~~shall be~~ IS allowed to such persons as described in
18 subsection (1) of this section who meet the following requirements:

19 (b) Have income from all sources for the taxable year of less than
20 the maximum ELIGIBLE INCOME amount, ~~for which such persons are~~
21 ~~eligible to receive a grant based on the operation of paragraphs (a), (a.5),~~
22 ~~(b), and (c) of subsection (2) of this section, including~~ WHICH INCLUDES,
23 but IS not limited to, for this purpose, alimony, ~~support money,~~ cash
24 public assistance and relief, pension or annuity benefits, federal social
25 security benefits, veterans' benefits, nontaxable interest, workers'
26 compensation, and unemployment compensation benefits. For the
27 purposes of this ~~paragraph (b)~~ SUBSECTION (3)(b), the following ~~shall~~ ARE

1 not be considered income:

2 (4) As used in this section:

3 (a) "FLAT GRANT AMOUNT" MEANS AN AMOUNT EQUAL TO
4 SEVENTY-SEVEN DOLLARS FOR THE 2019 CALENDAR YEAR, AND FOR EACH
5 YEAR THEREAFTER THE AMOUNT FOR THE PRIOR YEAR ADJUSTED FOR
6 INFLATION.

7 (b) "Inflation" means the annual percentage change in the United
8 States department of labor, bureau of labor statistics, consumer price
9 index for ~~Denver-Boulder-Greeley~~, DENVER-AURORA-LAKEWOOD FOR
10 all items AND all urban consumers, or its successor index.

11 (c) "MAXIMUM ELIGIBLE INCOME AMOUNT" HAS THE SAME
12 MEANING AS SET FORTH IN SECTION 39-31-101 (5)(c).

13 (d) "PHASE-OUT AMOUNT" HAS THE SAME MEANING AS SET FORTH
14 IN SECTION 39-31-101 (5)(d).

15 **SECTION 4. Appropriation - adjustments to 2019 long bill.**

16 (1) For the 2019-20 state fiscal year, \$24,847 is appropriated to the
17 department of revenue. This appropriation is from the general fund. To
18 implement this act, the department may use this appropriation as follows:

19 (a) \$10,467 for use by the taxpayer service division for personal
20 services;

21 (b) \$13,180 for tax administration IT system (GenTax) support;
22 and

23 (c) \$1,200 for the purchase of document management services.

24 (2) For the 2019-20 state fiscal year, \$1,200 is appropriated to the
25 department of personnel. This appropriation is from reappropriated funds
26 received from the department of revenue under subsection (1)(c) of this
27 section. To implement this act, the department of personnel may use this

1 appropriation to provide document management services for the
2 department of revenue.

3 (3) To implement this act, the amount specified for informational
4 purposes in part XIX of section 2 of the annual general appropriation act
5 for the 2019-20 state fiscal year for the old age heat and fuel and property
6 tax assistance grant is increased by \$650,500.

7 **SECTION 5. Act subject to petition - effective date.** This act
8 takes effect at 12:01 a.m. on the day following the expiration of the
9 ninety-day period after final adjournment of the general assembly (August
10 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
11 referendum petition is filed pursuant to section 1 (3) of article V of the
12 state constitution against this act or an item, section, or part of this act
13 within such period, then the act, item, section, or part will not take effect
14 unless approved by the people at the general election to be held in
15 November 2020 and, in such case, will take effect on the date of the
16 official declaration of the vote thereon by the governor.