

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

INTRODUCED

LLS NO. 23-0480.02 Zach Blaes x4348

SENATE BILL 23-036

SENATE SPONSORSHIP

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Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 **CONCERNING A CHANGE TO THE APPLICATION PROCESS FOR THE**
102 **PROPERTY TAX EXEMPTION FOR VETERANS WITH A DISABILITY.**

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>.)

Current law requires an individual applying for the property tax exemption for a veteran with a disability to submit the application to the division of veterans affairs (division) in the Colorado department of veterans and military affairs. The bill instead requires an individual to submit an application to the individual's county tax assessor. When submitting an application, the bill requires an individual to include proof

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.

of qualifying veteran with a disability status, which the bill defines as documentary evidence from the United States department of veterans affairs that the individual is a qualifying veteran with a disability. The bill further requires the division to develop guidance that specifies the documentary evidence from the United States department of veterans affairs that must be included with an application. The bill eliminates the requirement that the division determine whether an individual is a qualifying veteran with a disability.

To comply with an existing statutory requirement that "people first language" be used in new or amended statutes that refer to persons with disabilities, the bill also changes the existing terms "disabled veteran" and "disabled veterans" to "veteran with a disability" and "veterans with a disability".

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-3-201, **amend**
3 (1)(a) as follows:

4 **39-3-201. Legislative declaration.** (1) The general assembly
5 hereby finds and declares that:

6 (a) Section 3.5 of article X of the state constitution, which was
7 approved by the registered electors of the state at the 2000 general
8 election and amended by the registered electors of the state at the 2006
9 general election, provides property tax exemptions for A qualifying
10 ~~seniors~~ SENIOR and FOR A qualifying ~~disabled~~ veterans "DISABLED
11 VETERAN", DEFINED, IN ACCORDANCE WITH THE "PEOPLE FIRST
12 LANGUAGE" REQUIREMENTS OF SECTION 2-2-802, IN SECTION 39-3-202
13 (3.5) AS A "QUALIFYING VETERAN WITH A DISABILITY" FOR PURPOSES OF
14 THIS PART 2;

15 **SECTION 2.** In Colorado Revised Statutes, 39-3-202, **amend**
16 (1.5) and (3.5); and **add** (3.3) as follows:

17 **39-3-202. Definitions.** As used in this part 2, unless the context
18 otherwise requires:

1 (1.5) "Exemption" means the property tax exemptions for
2 qualifying seniors and qualifying ~~disabled~~ veterans WITH A DISABILITY
3 allowed by section 39-3-203.

4 (3.3) "PROOF OF QUALIFYING VETERAN WITH A DISABILITY
5 STATUS" MEANS DOCUMENTARY EVIDENCE FROM THE UNITED STATES
6 DEPARTMENT OF VETERANS AFFAIRS THAT AN INDIVIDUAL IS A
7 QUALIFYING VETERAN WITH A DISABILITY, AS DEFINED IN SUBSECTION
8 (3.5) OF THIS SECTION. THE DIVISION SHALL DEVELOP GUIDELINES THAT
9 SPECIFY THE DOCUMENTARY EVIDENCE FROM THE UNITED STATES
10 DEPARTMENT OF VETERANS AFFAIRS THAT IS REQUIRED TO ESTABLISH
11 PROOF OF QUALIFYING VETERAN WITH A DISABILITY STATUS.

12 (3.5) "Qualifying ~~disabled~~ veteran WITH A DISABILITY" means an
13 individual who has served on active duty in the United States armed
14 forces, including a member of the Colorado National Guard who has been
15 ordered into the active military service of the United States, has been
16 separated therefrom under honorable conditions, and has EITHER
17 established a service-connected disability that has been rated by the
18 ~~federal~~ UNITED STATES department of veterans affairs as a one hundred
19 percent permanent disability through disability retirement benefits
20 pursuant to a law or regulation administered by the department, the
21 United States department of homeland security, or the department of the
22 Army, Navy, or Air Force, OR HAS INDIVIDUAL UNEMPLOYABILITY STATUS
23 AS DETERMINED BY THE UNITED STATES DEPARTMENT OF VETERANS
24 AFFAIRS.

25 **SECTION 3.** In Colorado Revised Statutes, 39-3-203, **amend**
26 (1.5)(a) introductory portion and (1.5)(a.5) as follows:

27 **39-3-203. Property tax exemption - qualifications.** (1.5)(a) For

1 property tax years commencing on or after January 1, 2007, fifty percent
2 of the first two hundred thousand dollars of actual value of residential real
3 property that as of the assessment date is owner-occupied and is used as
4 the primary residence of an owner-occupier who is a qualifying ~~disabled~~
5 veteran WITH A DISABILITY shall be exempt from taxation if:

6 (a.5) For property tax years commencing on or after January 1,
7 2015, fifty percent of the first two hundred thousand dollars of actual
8 value of residential real property that as of the assessment date is
9 owner-occupied and is used as the primary residence of an
10 owner-occupier who is the surviving spouse of a qualifying ~~disabled~~
11 veteran WITH A DISABILITY who previously received an exemption under
12 ~~paragraph (a) of this subsection (1.5)~~ SUBSECTION (1.5)(a) OF THIS
13 SECTION is exempt from taxation.

14 **SECTION 4.** In Colorado Revised Statutes, **amend** 39-3-204 as
15 follows:

16 **39-3-204. Notice of property tax exemption.** No later than May
17 1, 2013, and no later than May 1 of each year thereafter in which an
18 assessor sends a notice of valuation pursuant to section 39-5-121 (1)(a)
19 that is not included with the tax bill, each assessor shall mail to each
20 residential real property address in the assessor's county notice of the
21 exemption allowed by section 39-3-203 (1). As soon as practicable after
22 January 1, 2014, and as soon as practicable after January 1 of each year
23 thereafter, each county treasurer shall, at the treasurer's discretion, mail
24 or electronically send to each person whose name appears on the tax list
25 and warrant as an owner of residential real property notice of the
26 exemption allowed by section 39-3-203 (1). The treasurer must mail or
27 electronically send the notice in each year on or before the date on which

1 the treasurer mails the property tax statement for the previous property tax
2 year pursuant to section 39-10-103. No later than May 1, 2008, and no
3 later than each May 1 thereafter, each assessor also shall mail to each
4 residential property address in the assessor's county notice of the
5 exemption allowed by section 39-3-203 (1.5). No later than May 1, 2007,
6 the division shall mail to the residential property address of each person
7 residing in the state who the division believes is a qualifying ~~disabled~~
8 veteran WITH A DISABILITY notice of the exemption allowed by section
9 39-3-203 (1.5) for the 2007 property tax year. However, the sending of
10 notice to a person by the division does not constitute a determination by
11 ~~the division~~ that the person sent notice is entitled to an exemption. The
12 notice ~~shall~~ MUST be in a form prescribed by the administrator, who shall
13 consult with the division before prescribing the form of the notice of the
14 exemption allowed by section 39-3-203 (1.5), and ~~shall~~ MUST include a
15 statement of the eligibility criteria for the exemptions, ~~and~~ instructions for
16 obtaining an exemption application, AND, FOR APPLICATIONS FOR
17 EXEMPTIONS FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER
18 JANUARY 1, 2024, INSTRUCTIONS FOR OBTAINING PROOF OF QUALIFYING
19 VETERAN WITH A DISABILITY STATUS. To reduce mailing costs, an assessor
20 may coordinate with the treasurer of the same county to include notice
21 with the tax statement for the previous property tax year mailed pursuant
22 to section 39-10-103 or may include notice with the notice of valuation
23 mailed pursuant to section 39-5-121 (1)(a).

24 **SECTION 5.** In Colorado Revised Statutes, 39-3-205, **amend**
25 (1)(b), (4)(a)(I), and (4)(a)(II); **repeal** (2.5); and **add** (2)(c) as follows:

26 **39-3-205. Exemption applications - penalty for providing false**
27 **information - confidentiality.** (1) (b) To claim the exemption allowed

1 by section 39-3-203 (1.5), an individual shall file with the ~~division~~
2 ASSESSOR a completed exemption application AND PROOF OF QUALIFYING
3 VETERAN WITH A DISABILITY STATUS no later than July 1 of the first
4 property tax year for which the exemption is claimed. An application
5 returned by mail shall be deemed filed on the date it is postmarked. AN
6 INDIVIDUAL WHO FILED AN EXEMPTION APPLICATION WITH THE DIVISION
7 RATHER THAN WITH THE ASSESSOR AS WAS REQUIRED BEFORE THIS
8 SUBSECTION (1)(b) WAS AMENDED BY HOUSE BILL 23-___, ENACTED IN
9 2023, AND WHO QUALIFIED FOR AND RECEIVED AN EXEMPTION FOR A
10 PROPERTY TAX YEAR COMMENCING BEFORE JANUARY 1, 2024, RETAINS
11 THE EXEMPTION AND IS NOT REQUIRED TO SUBMIT A NEW APPLICATION OR
12 PROOF OF QUALIFYING VETERAN WITH A DISABILITY STATUS TO THE
13 ASSESSOR.

14 (2) (c) FOR THE EXEMPTION ALLOWED BY SECTION 39-3-203 (1.5),
15 THE EXEMPTION APPLICATION MUST INCLUDE PROOF OF QUALIFYING
16 VETERAN WITH A DISABILITY STATUS.

17 ~~(2.5) For the purpose of verifying the eligibility of each applicant~~
18 ~~for the exemption allowed to qualifying disabled veterans under section~~
19 ~~39-3-203 (1.5) efficiently and with minimal inconvenience to each~~
20 ~~applicant, the division shall determine whether an applicant for the~~
21 ~~exemption is a qualifying disabled veteran. With respect to any~~
22 ~~application timely filed by July 1 pursuant to paragraph (b) of subsection~~
23 ~~(1) of this section, the division shall, if possible, determine whether the~~
24 ~~applicant is a qualifying disabled veteran and send notice of its~~
25 ~~determination to the applicant on or before the immediately succeeding~~
26 ~~August 1. If the division determines that the applicant is a qualifying~~
27 ~~disabled veteran, it shall also send notice of its determination and a copy~~

1 of the exemption application to the assessor for the county where the
2 property is located. If the division is unable to determine whether the
3 applicant is a qualifying disabled veteran on or before said August 1, it
4 shall send preliminary notice to both the applicant and the assessor that
5 its determination is pending and shall follow up the preliminary notice by
6 sending final notice of its ultimate determination to the applicant and,
7 together with a copy of the exemption application, to the assessor as soon
8 as possible thereafter.

9 (4) (a) Completed exemption applications shall be kept
10 confidential; except that:

11 (I) (A) An assessor ~~or the division~~ may release statistical
12 compilations or informational summaries of any information contained
13 in exemption applications and shall provide a copy of an exemption
14 application to the applicant who returned the application, the treasurer of
15 the same county as the assessor, the administrator, the state treasurer, or
16 the state auditor upon request or as otherwise required by this part 2.

17 (B) An assessor ~~or the division~~ may introduce a copy of an
18 exemption application as evidence in any administrative hearing or legal
19 proceeding in which the accuracy or veracity of the exemption application
20 is at issue so long as neither the applicant's social security number nor any
21 other social security number set forth in the application are divulged.

22 (II) A treasurer, the administrator, the state treasurer, or the state
23 auditor shall keep confidential each individual exemption application that
24 it may receive from an assessor ~~or the division~~ but may release statistical
25 compilations or informational summaries of any information contained
26 in exemption applications and may introduce a copy of an exemption
27 application as evidence in any administrative hearing or legal proceeding

1 in which the accuracy or veracity of the exemption application is at issue
2 so long as neither the applicant's social security number nor any other
3 social security number set forth in the application are divulged.

4 **SECTION 6.** In Colorado Revised Statutes, 39-3-206, **amend**
5 (1.5), (2)(a), and (2)(a.7) as follows:

6 **39-3-206. Notice to individuals returning incomplete or**
7 **nonqualifying exemption applications - denial of exemption -**
8 **administrative remedies.** (1.5) (a) Except as otherwise provided in
9 ~~paragraph (a.7) of subsection (2)~~ SUBSECTION (2)(a.7) of this section, the
10 ~~division~~ ASSESSOR shall only accept an application for the exemption
11 allowed to qualifying ~~disabled~~ veterans WITH A DISABILITY under section
12 39-3-203 (1.5) if the applicant timely returned the exemption application
13 in accordance with section 39-3-205 (1)(b), and an assessor shall only
14 grant the exemption if ~~the division verifies that the applicant is a qualified~~
15 ~~disabled veteran~~ THE APPLICANT SUBMITS PROOF OF QUALIFYING VETERAN
16 WITH A DISABILITY STATUS AS REQUIRED BY SECTION 39-3-205 and the
17 exemption application ~~forwarded by the division to the assessor pursuant~~
18 ~~to section 39-3-205 (2.5)~~ establishes that the applicant meets the other
19 requirements to be entitled to the exemption.

20 (b) If the information provided on or with an application for the
21 exemption allowed to qualifying ~~disabled~~ veterans WITH A DISABILITY
22 under section 39-3-203 (1.5) ~~that is forwarded by the division to an~~
23 ~~assessor pursuant to section 39-3-205 (2.5)~~ indicates that the applicant is
24 not entitled to the exemption, or is insufficient to allow the assessor to
25 determine whether or not the applicant is entitled to the exemption, the
26 assessor shall deny the application and mail to the applicant a statement
27 providing the reasons for the denial and informing the applicant of the

1 applicant's right to contest the denial pursuant to subsection (2) of this
2 section. The assessor shall mail the statement no later than August 1 of
3 the property tax year for which the exemption application was filed.

4 (2) (a) An applicant whose exemption application has been denied
5 pursuant to ~~paragraph (b) of subsection (1) or paragraph (b) of subsection~~
6 ~~(1.5) SUBSECTION (1)(b) OR (1.5)(b)~~ of this section may contest the denial
7 by requesting a hearing before the county commissioners sitting as the
8 county board of equalization no later than August 15 of the property tax
9 year for which the exemption application was filed. The hearing shall be
10 held on or after August 1 and no later than September 1 of the property
11 tax year for which the exemption application was filed, and the decision
12 of the county board of equalization is not subject to further administrative
13 appeal by either the applicant or the assessor. ~~An applicant may not~~
14 ~~contest a determination by the division that the applicant is not a~~
15 ~~qualifying disabled veteran at a hearing requested pursuant to this~~
16 ~~paragraph (a).~~

17 (a.7) An individual who wishes to claim the exemption for
18 qualifying ~~disabled~~ veterans WITH A DISABILITY allowed by section
19 39-3-203 (1.5), but who has not timely filed an exemption application
20 ~~with the division~~, may request that the ~~division~~ ASSESSOR waive the
21 application deadline and allow the individual to file a late exemption
22 application no later than the August 1 that immediately follows the
23 original application deadline. The ~~division~~ ASSESSOR may accept an
24 application if, in the ~~division's~~ ASSESSOR'S sole discretion, the applicant
25 shows good cause for not timely filing an application. If the ~~division~~
26 ASSESSOR accepts a late application, ~~it~~ THE ASSESSOR shall determine
27 whether the ~~applicant is a qualifying disabled veteran~~ THE APPLICATION

1 SHOULD BE GRANTED OR DENIED PURSUANT TO SUBSECTION (1.5) OF THIS
2 SECTION and shall mail notice of its determination to the applicant no later
3 than the August 25 that immediately follows the late application deadline.
4 ~~If the division determines that a veteran is a qualifying disabled veteran,~~
5 ~~it shall mail a copy of the notice of its determination to the assessor for~~
6 ~~the county in which the property for which the applicant has claimed the~~
7 ~~exemption is located and shall include with the notice a copy of the~~
8 ~~applicant's exemption application. The assessor shall grant an exemption~~
9 ~~if the notice and application forwarded by the division to the assessor~~
10 ~~establish that the applicant is entitled to the exemption.~~ A decision of the
11 ~~division~~ ASSESSOR to allow or disallow the filing of a late application or
12 of an assessor to grant or deny an exemption to an applicant who has filed
13 a late application is final, and an applicant who is denied late filing or an
14 exemption may not contest the denial.

15 **SECTION 7.** In Colorado Revised Statutes, 25-2-103, **amend**
16 (4.5) as follows:

17 **25-2-103. Centralized registration system for all vital statistics**
18 **- office of the state registrar of vital statistics created - appointment**
19 **of registrar - rules.** (4.5) Notwithstanding any other provision of law
20 that limits the sharing of vital statistics, after receiving the list of names
21 and social security numbers of individuals who received property tax
22 exemptions as either qualifying seniors or ~~disabled~~ QUALIFYING veterans
23 WITH A DISABILITY for the prior year that is provided by the property tax
24 administrator pursuant to section 39-3-207, ~~C.R.S.~~, the state registrar shall
25 identify all individuals on the list who have died and transmit a list of the
26 names and social security numbers of such individuals to the
27 administrator.

1 **SECTION 8.** In Colorado Revised Statutes, 39-21-113, **amend**
2 (24) as follows:

3 **39-21-113. Reports and returns - rule - repeal.**
4 (24) Notwithstanding any other provision of this section, the executive
5 director, after receiving from the property tax administrator a list of
6 individuals who are claiming the property tax exemptions for qualifying
7 seniors and ~~disabled~~ QUALIFYING veterans WITH A DISABILITY allowed
8 under part 2 of article 3 of this ~~title~~ TITLE 39 shall provide to the property
9 tax administrator information pertaining to the listed individuals,
10 including their names, social security numbers, marital and income tax
11 filing status, and residency status, needed by the administrator to verify
12 that the exemption is allowed only to applicants who satisfy legal
13 requirements for claiming it. The administrator and the administrator's
14 agents, clerks, and employees shall keep all information received from the
15 executive director confidential, and any individual who fails to do so is
16 guilty of a misdemeanor and subject to punishment as specified in
17 subsection (6) of this section.

18 **SECTION 9. Effective date - applicability.** (1) This act takes
19 effect upon passage; except that sections 5 and 6 of this act take effect
20 January 1, 2024.

21 (2) This act applies to exemption applications for property tax
22 years commencing on or after January 1, 2024.

23 **SECTION 10. Safety clause.** The general assembly hereby finds,
24 determines, and declares that this act is necessary for the immediate
25 preservation of the public peace, health, or safety.