

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

**INTRODUCED**

LLS NO. 23-0988.02 Nicole Myers x4326

**HOUSE BILL 23-1284**

---

**HOUSE SPONSORSHIP**

**deGruy Kennedy and Lieder,**

**SENATE SPONSORSHIP**

**(None),**

---

**House Committees**  
Finance

**Senate Committees**

---

**A BILL FOR AN ACT**

101 **CONCERNING MODIFICATIONS TO THE PROPERTY TAX DEFERRAL**  
102 **PROGRAM.**

---

**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 allows a person who is at least 65 years old or who is a person called into military service to elect to defer the payment of real property taxes. Current law also allows other residential real property owners to defer the payment of a portion of real property taxes under certain circumstances.

For all 3 categories of taxpayers who are eligible to defer the

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.*

payment of real property taxes, current law specifies that the property for which the deferral is claimed cannot be income-producing. Beginning in the 2023 property tax year, the bill specifies that the prohibition against the property being income-producing does not apply if the taxpayer claiming the deferral is at least 65 years old, is a person called into military service, or is the surviving spouse of such a taxpayer.

For a property owner called into military service or a property owner who is not called into military service and is not at least 65 years old but is otherwise eligible to claim a property tax deferral, current law specifies that to be eligible for the property tax deferral, the total value of all liens of mortgages and deeds of trust on the property must be less than or equal to 90 percent of the actual value of the property (90 percent requirement). For property tax years commencing on or after January 1, 2023, the bill specifies that the 90 percent requirement does not apply if the owner of the property is a person called into military service and has a home loan guaranteed by the veterans administration of the United States.

---

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-3.5-103, **amend**  
3 (1)(c) and (1)(d.5)(I)(B) as follows:

4 **39-3.5-103. Property entitled to deferral.** (1) In order to qualify  
5 for real property tax deferral under this article 3.5, the property shall meet  
6 all of the following requirements at the time the claim is filed and so long  
7 thereafter as payment is deferred:

8 (c) The property for which the deferral is claimed must not be  
9 income-producing; EXCEPT THAT, FOR PROPERTY TAX YEARS  
10 COMMENCING ON OR AFTER JANUARY 1, 2023, THIS SUBSECTION (1)(c)  
11 DOES NOT APPLY IF THE TAXPAYER CLAIMING THE DEFERRAL IS SIXTY-FIVE  
12 YEARS OF AGE OR OLDER, IS A PERSON CALLED INTO MILITARY SERVICE, OR  
13 IS THE SURVIVING SPOUSE OF A TAXPAYER WHO ELECTS TO CONTINUE THE  
14 PROPERTY TAX DEFERRAL PURSUANT TO SECTION 39-3.5-112.

15 (d.5) (I) Either of the following applies to the property:

16 (B) The owner of the property is a person called into military

1 service or a person eligible for deferral under section 39-3.5-102 (1)(c),  
2 and the total value of all liens of mortgages and deeds of trust on the  
3 property, excluding any mortgage or deed of trust that the holder has  
4 agreed, on a form designated by the state treasurer, to subordinate to the  
5 lien of the state for deferred taxes, is less than or equal to ninety percent  
6 of the actual value of the property, as determined by the county assessor;  
7 EXCEPT THAT, FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER  
8 JANUARY 1, 2023, THE LIMITATION ON THE TOTAL VALUE OF ALL LIENS OF  
9 MORTGAGES AND DEEDS OF TRUST ON THE PROPERTY SET FORTH IN THIS  
10 SUBSECTION (1)(d.5)(I)(B) DOES NOT APPLY IF THE OWNER OF THE  
11 PROPERTY IS A PERSON CALLED INTO MILITARY SERVICE AND HAS A HOME  
12 LOAN GUARANTEED BY THE VETERANS ADMINISTRATION OF THE UNITED  
13 STATES.

14 **SECTION 2. Act subject to petition - effective date.** This act  
15 takes effect at 12:01 a.m. on the day following the expiration of the  
16 ninety-day period after final adjournment of the general assembly; except  
17 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
18 of the state constitution against this act or an item, section, or part of this  
19 act within such period, then the act, item, section, or part will not take  
20 effect unless approved by the people at the general election to be held in  
21 November 2024 and, in such case, will take effect on the date of the  
22 official declaration of the vote thereon by the governor.