SENIOR PROPERTY TAX EXEMPTION

A property tax exemption is available to qualifying senior citizens and the surviving spouses of seniors who previously qualified. The three basic requirements are: 1) the qualifying senior must be at least 65 years old on January 1 of the year in which he/she qualifies; 2) the qualifying senior must be the owner of record, and must have been the owner of record for at least ten consecutive years prior to January 1; 3) the qualifying senior must occupy the property as his/her primary residence, and must have done so for at least ten consecutive years prior to January 1.

For those who qualify, the exemption will reduce the actual value of your residential property by 50% up to a maximum reduction of $100,000. The state pays the tax on the exempted value.

An applicant or married couple can apply for the exemption on only one property. That property must be his/her primary residence. Married couples and individuals who apply for the exemption on multiple properties will be denied the exemption on every property.

For the purpose of the exemption, "primary residence" is the place at which a person's habitation is fixed and to which that person, when absent, has the intention of returning. A person can have only one primary residence at a time. If the applicant is registered to vote, the address used for voter registration is considered the applicant's primary residence. If the applicant is not registered to vote, the address listed on automobile registrations, income tax returns, or other legal documents may be considered as evidence of the applicant's place of primary residency.

The property must be classified by the county assessor as residential. If the applicant owns a multiple dwelling unit property, the exemption will only be granted to the unit occupied by the applicant as his or her primary residence. The social security numbers of the applicant and each additional person who occupies the property as his/her primary residence are required by law, 39-205(2)(a)(I) and (III) CRS. They are used to ensure that no individual or married couple receives the exemption on more than one property.

Two application forms have been created for the exemption. The Short Form is intended for qualifying seniors who meet each of the requirements stated above, including those who meet the ownership requirement through ownership by their spouse. The Long Form must be used by individuals applying under the surviving spouse option and for applicants who fall within certain exceptions to the occupancy and ownership requirements.

The **surviving spouse** of an individual who previously qualified is someone who was married to a senior who met each of the application requirements on January 1 of the year of application. A surviving spouse must occupy the property as his or her primary residence, and must have done so with his or her spouse. Qualifications for the surviving spouse option are listed below under "Long Form Qualifications."

Exceptions to the occupancy and ownership requirements are as follows: 1) the ownership has been transferred to or purchased by a trust, corporate partnership or other legal entity solely for estate planning purposes; 2) the qualifying senior or his/her spouse was or is confined to a health care facility; 3) the prior residence was condemned in an eminent domain proceeding, or 4) the prior residence was destroyed or otherwise rendered uninhabitable by a natural disaster.

The completed form must be submitted to the county assessor's office no later than **July 15**. If the application is not filed by July 15, the assessor must accept late applications through September 15. However, applicants will not have appeal rights for applications filed after July 15. **You only need to apply for the exemption once, and it remains in effect for subsequent years as long as the property ownership and occupancy do not change.**

SHORT FORM QUALIFICATIONS

The Short Form can be used by applicants who meet each of the following requirements. The form can be obtained from your county assessor. The application deadline for this form is **July 15**.

Age Requirement: You are 65 years old or older as of January 1 of the year for which you are seeking exemption.

Ownership Requirement: You are the current owner of record, and you have owned the property for at least 10 consecutive years prior to January 1 of the tax year for which you are seeking the exemption. (You do not have to be the sole owner of the property. You can own it with your spouse or with someone else. You can also own a life estate in the property.)

If your Spouse is/was the Owner of Record: For the purpose of the exemption, you are also considered an owner of the property for periods during which your spouse and not you was the owner of record if, during those periods, your spouse and you were married and your spouse also occupied the property as his or her primary residence.

Occupancy Requirement: You occupy the property as your primary residence, and you have done so for at least 10 consecutive years prior to January 1 of this year.

LONG FORM QUALIFICATIONS

If any of the following conditions is true, you may still qualify for the exemption; but you must use the long application form. The Long Form can be obtained from your County Assessor. The deadline for applying with the Long Form is also **July 15**.

Exceptions to Ownership and/or Occupancy Requirements:

If You are the Surviving Spouse of a Qualified Senior: You qualify as a surviving spouse if each of the following is true:

- On January 1, 2002 or any January 1 thereafter, your husband or wife met the age, ownership, and occupancy requirements stated above under "Short Form Qualifications".
- You currently occupy the property as your primary residence, and you did so with your spouse.
- The property has been owned by you and/or your spouse for at least 10 years prior to January 1 of this year.

If Property is Owned by Trust, Corporate Partnership or Legal Entity: The ownership requirement may be satisfied if your property is owned by a trust, a corporate partnership, or other legal entity solely for estate planning purposes. You and/or your spouse must be the maker of the trust or a principal of the corporate partnership or legal entity. If the property was not owned by the trust, corporate partnership or legal entity, it would be owned by you and/or your spouse.

If Confined to Healthcare Facility: The occupancy requirement may be satisfied even though occupancy has been interrupted by confinement of the applicant or spouse in a nursing home, hospital or assisted living facility. While confined to the health care facility, the property was/is unoccupied, or it was/is occupied only by the spouse of the person confined or by a financial dependent.

If Prior Residence was Condemned or Destroyed in a Natural Disaster: The ownership and occupancy requirements may be satisfied if the reason for not meeting the 10-year time frame is due to the condemnation of the prior residence by a governmental entity in an eminent domain proceeding, or if the prior residence was destroyed or otherwise rendered uninhabitable by a natural disaster. Had that not occurred, you would still live in the prior residence, and you would meet the 10-year ownership and occupancy requirements for that property, or you would qualify as a surviving spouse for that property, and you have not owned and occupied any other residence since the time of the event.

DISABLED VETERANS EXEMPTION

In November 2006, voters enacted an amendment to the Colorado Constitution extending the senior exemption benefit to disabled veterans. Qualifying veterans are those who have a 100 percent permanent and total disability rating from the U.S. Department of Veterans Affairs as a result of a service-connected disability and who have owned and occupied the property as their primary residence since January 1. In 2014, Colorado's Legislature extended this exemption to the surviving spouse of a disabled veteran who previously received the exemption.

Application forms are available from the Colorado Department of Military and Veterans Affairs, Division of Veterans Affairs, 1355 S. Colorado Blvd., Bldg C, Ste 113, Denver, CO 80222. Their telephone number is 303-284-6077. Forms can also be obtained from their web site at www.colorado.gov/vets or from the web site of the Colorado Division of Property Taxation at www.dola.colorado.gov/dpt. The filing deadline is July 1.

NOTIFICATION AND APPLICATION

Notice of the availability of the senior property tax exemption must be mailed no later than May 1 of each year to the owners of all residential real property.

The notice must include the eligibility requirements and the instructions for obtaining an exemption application.

The completed application must be returned to the county assessor no later than July 15 of the first property tax year for which the exemption is claimed. An application returned by mail will be deemed filed on the date it is postmarked.

Completed exemption applications are confidential.

- County assessors and treasurers, the Property Tax Administrator, the State Treasurer, and the State Auditor may release statistical compilations or informational summaries of any information contained in exemption applications except that the social security numbers cannot be divulged.
- Copies of exemption applications may be used as evidence in any administrative hearing or legal proceeding in which the accuracy or veracity of the application is an issue so long as the applicants' social security numbers are not divulged.
- None of the above parties may provide any other person with a listing of individuals who have applied for an exemption or provide any other information that would enable someone to easily assemble a mailing list of individuals who have applied for the exemption.

ASSESSOR'S REVIEW AND ACTION

The assessor can only grant an exemption to an individual who has timely filed an application establishing that the individual meets the exemption qualifications.

If the assessor determines that the applicant does not qualify, or if the information provided on the application is insufficient, the assessor will deny the application and mail a statement no later than August 15, explaining the reason(s) for denial.

The applicant may request a hearing before the county commissioners, and should file immediately after receiving the assessor's decision to ensure a hearing being scheduled with the commissioners. The hearing must be held between September 1 and October 1. The County Commissioners' decision is not subject to further administrative appeal by either the applicant or the Assessor.

PROPERTY TAX ADMINISTRATOR'S REVIEW AND ACTION

No later than October 10, each county assessor must file an annual report with the Property Tax Administrator (administrator) listing the exemptions allowed for the current year.

The administrator will review the reports to determine whether or not any applicants have claimed more than one exemption in Colorado. By November 1, the administrator will notify those applicants who have claimed more than one exemption that they are not entitled to any exemption.

The applicants may file a written protest with the administrator no later than November 15. The sole ground for the protest is that the applicant filed only one claim for an exemption. The protest must specify the property or properties upon which no exemption was claimed. The administrator shall request copies of the applications from the appropriate assessor(s). If the protest is denied, the administrator must provide a written statement of the basis for the denial and a copy of each exemption application filed with an assessor.

Applicants have the right of appeal to the Board of Assessment Appeals within 30 days of the date of the administrator's decision, 39-2-125(1)(b), C.R.S.

The administrator will provide assessors with written notices of denials so that the exemptions can be removed.

PENALTIES

False Information or Multiple Applications:

In addition to any penalties prescribed by law for perjury in the second degree, the applicant who knowingly provides false information on an exemption application or files more than one exemption application in any given year:

- Shall not be entitled to an exemption;
- Shall be required to pay an amount equal to the amount of property taxes not paid as a result of the exemption being improperly allowed; and
- Shall, upon conviction of perjury, be required to pay an additional amount equal to twice the amount of the property taxes that would have been exempted had the application been valid, plus interest. Interest will be calculated pursuant to 39-21-110.5(2) & (3), C.R.S., from the date the invalid application was filed until the date the applicant makes the payment.
- The penalty described in numbers two and three above, shall be deemed part of the lien of general taxes imposed on the person found responsible for its payment. It shall have the priority specified in 39-1-107(2), C.R.S.

Failure to Inform the Assessor of any Change:

Within 60 days of its occurrence, the assessor must be notified of any change in the property's ownership or occupancy that would result in a loss of the exemption. If the assessor is not notified of the change, the following penalties will be imposed:

- The exemption will not be allowed; and
- The applicant or trustee will be required to pay an amount equal to the amount of property taxes not paid as a result of the exemption being improperly allowed plus interest. Interest will be calculated pursuant to 39-21-110.5(2) & (3), C.R.S., from the date on which the change in ownership or occupancy occurred until the date the applicant makes the payment.
- The penalty described in number two shall be deemed part of the lien of general taxes imposed on the person found responsible for its payment. It shall have the priority specified in 39-1-107(2), C.R.S.

REIMBURSEMENT OF LOST REVENUE

By April 3 of each year, county treasurers will send a report to the State Treasurer listing the amount of property tax revenue attributable to each local government that will not be collected due to the senior property tax exemption program.

By April 15 of each year, the State Treasurer will reimburse each county treasurer for the lost revenue.

County treasurers will distribute the reimbursed revenue to each governmental entity.

QUESTIONS

The application forms can be obtained from your county assessor. You can also call your county assessor for additional information about the exemption, or contact the Colorado Division of Property Taxation at 303-864-7777.

Prepared by Colorado Division of Property Taxation, Department of Local Affairs.

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SENIOR PROPERTY TAX EXEMPTION IN COLORADO

Applications Must be Filed no later than **July 15**

This brochure was created to provide general information regarding the senior property tax homestead exemption. For more specific information on this topic, please visit the DPT website at www.dola.state.co.us/dpt.

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