

## CHAPTER 307

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**TAXATION**


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## SENATE BILL 26-116

BY SENATOR(S) Weissman, Cutter, Exum, Gonzales J., Jodeh, Coleman;  
also REPRESENTATIVE(S) Zokaie.

## AN ACT

**CONCERNING THE TAXATION OF PROPERTY, AND, IN CONNECTION THEREWITH, MODIFYING THE QUALIFIED-SENIOR PRIMARY RESIDENCE BENEFIT AND MODIFYING THE TAXATION OF BUSINESS PERSONAL PROPERTY.**

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

**SECTION 1.** In Colorado Revised Statutes, 39-1-104.6, **amend** (2)(a), (3)(a), (5)(c), (6)(a), (8)(a), (8)(b)(I), (8)(c), and (8)(d) as follows:

**39-1-104.6. Qualified-senior primary residence real property - valuation for assessment - reimbursement to local governments for reduced valuation - temporary mechanism for refunding excess state revenues - legislative declaration - definitions.**

**(2) Classification.**

(a) For property tax years commencing on or after January 1, 2025, **BUT BEFORE JANUARY 1, 2027**, residential real property that as of the assessment date is used as the primary residence of an owner-occupier is classified as qualified-senior primary residence real property, which is a subclass of residential real property, if:

**(3) Applications.**

(a) For a property to be classified as qualified-senior primary residence real property, an individual must file with the assessor a completed application no later than July 15 of the first property tax year for which the classification is sought, **THROUGH JULY 15, 2026**. An application returned by mail is deemed filed on the date it is postmarked.

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

**(5) Confidentiality.**

(c) In accordance with section 25-2-103 (4.7), the administrator shall annually provide to the state registrar of vital statistics of the department of public health and environment a list, by name and social security number, of every individual who had property classified as qualified-senior primary residence real property for the immediately preceding year so that the registrar can provide to the administrator a list of all the individuals on the list who have died. No later than April 1, 2026, and ~~April 1 of each year thereafter~~ NO LATER THAN APRIL 1, 2027, the administrator shall forward to the assessor of each county the name and social security number of each deceased individual who had residential real property located within the county that was so classified for the immediately preceding year so that the assessor can change the classification of the property, if necessary.

**(6) Notice.**

(a) As soon as practicable after January 1, 2025, and after ~~January 1 of each year thereafter~~ JANUARY 1, 2026, each county treasurer shall, at the treasurer's discretion, mail or electronically send to each person whose name appears on the tax list and warrant as an owner of residential real property notice of the qualified-senior primary residence real property classification. The treasurer shall mail or electronically send the notice each year on or before the date on which the treasurer mails the property tax statement for the previous property tax year pursuant to section 39-10-103. The administrator shall prescribe the form of the notice, which must include a statement of the eligibility criteria for the primary residence real property and qualified-senior primary residence real property classifications and instructions for obtaining a related application.

**(8) Reporting to administrator.**

(a) No later than September 10, 2025, and ~~September 10 of each year thereafter~~ NO LATER THAN SEPTEMBER 10, 2026, each assessor shall forward to the administrator a report on the residential real property in the assessor's county that qualifies for classification as qualified-senior primary residence real property for the current property tax year. For each unit of residential real property, the report must include:

(b)(I) The administrator shall examine the reports sent by each assessor pursuant to subsection (8)(a) of this section to ensure that no applicant has applied for a qualified-senior primary residence real property classification without meeting all legal requirements for obtaining the classification. No later than November 1, 2025, and ~~November 1 of each year thereafter~~ NO LATER THAN NOVEMBER 1, 2026, if the administrator determines that an applicant has applied for more than one property to be classified as qualified-senior primary residence real property, the administrator shall provide written notice to the applicant that the applicant has applied for more than one such classification and is therefore not entitled to the classification for any property. If the administrator determines that the applicant and the applicant's spouse have applied for separate properties to be classified as qualified-senior primary residence real property, that the classification was applied for in violation of subsection (4) of this section, that the applicant has claimed the classification for residential real property that the applicant does not own and occupy as the

applicant's primary residence as required by subsection (2)(a) of this section, or that the applicant is otherwise ineligible for the classification, the administrator shall provide written notice to an applicant that the applicant is ineligible and the reason for the ineligibility. The notice must also include a statement specifying the deadline and procedures for protesting the denial of the classification or classifications claimed.

(c) No later than December 1, 2025, and ~~each December 1 thereafter~~ NO LATER THAN DECEMBER 1, 2026, and after examining the reports sent by each assessor, denying applications for classification of property as qualified-senior primary residence real property, and deciding protests in accordance with subsection (8)(b) of this section, the administrator shall provide written notice to the assessor of each county in which an application has been denied because the applicant was ineligible that includes the identity of each denied applicant and the reason for each denial.

(d) No later than January 10, 2026, and ~~each January 10 thereafter~~ NO LATER THAN JANUARY 10, 2027, each assessor shall forward to the administrator a partial copy of the tax warrant for the assessor's county that includes only property for which the assessor has granted an application for classification as qualified-senior primary residence real property. The administrator shall examine the tax warrants to ensure that no additional classifications of property as qualified-senior primary residence real property have been allowed since the administrator examined the reports previously received from the assessors and that each assessor has removed from the tax warrant all such classifications that the administrator previously denied. No later than January 17, 2026, and no later than ~~each January 17 thereafter~~ JANUARY 17, 2027, the administrator shall notify each assessor and each treasurer of any such classifications to be removed from the tax warrant.

**SECTION 2.** In Colorado Revised Statutes, 39-3-119.5, **amend** (2)(a)(VII), (2)(a)(VIII), (2)(b)(I)(A), (2)(b)(I)(B), (2)(b)(I)(C), (3)(b), (3)(c)(I), (3)(c)(II), (3)(d), (3)(e), and (3)(g); and **add** (2)(a)(IX), (2)(b)(III), and (3)(e.5) as follows:

**39-3-119.5. Personal property - exemption - reimbursement to local governments - legislative declaration - definitions.**

(2) (a) The exemption created in subsection (1) of this section shall be up to and including the following amounts:

(VII) Seven thousand seven hundred dollars for property tax years commencing on January 1, 2019, and January 1, 2020; ~~and~~

(VIII) Fifty thousand dollars for property tax years commencing on January 1, 2021, and January 1, 2022; AND

(IX) FIFTY-EIGHT THOUSAND DOLLARS FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2027.

(b) (I) (A) Beginning with the property tax year commencing on January 1, 2023, BUT BEFORE JANUARY 1, 2027, the amount of the exemption created in subsection (1) of this section shall be adjusted biennially to account for inflation since the amount of the exemption last changed pursuant to this subsection (2). On or before

November 1, 2022, and each even-numbered year thereafter BUT BEFORE 2027, the administrator shall calculate the amount of the exemption for the next two-year cycle using inflation for the prior two calendar years as of the date of the calculation. The adjusted exemption shall be rounded upward to the nearest one hundred dollar increment. The administrator shall certify the amount of the exemption for the next two-year cycle and publish the amount on the website maintained by the division of property taxation in the department of local affairs.

(B) When calculating the exemption amount under subsection (2)(b)(I)(A) of this section, the administrator shall do another calculation in the same manner but starting from seven thousand nine hundred dollars instead of ~~fifty~~ FIFTY-EIGHT thousand dollars. This amount is the alternative exemption amount.

(C) If, under subsection (3)(f) of this section, the state treasurer notifies the administrator that not all counties have received reimbursement warrants for lost property tax revenue for the amounts specified in subsection (3)(d) of this section, then beginning with the property tax year commencing on January 1 that follows the notification, and for all property tax years thereafter BUT BEFORE PROPERTY TAX YEAR 2027, the amount of the exemption in subsection (1) of this section is the alternative exemption amount. Thereafter, BUT BEFORE PROPERTY TAX YEAR 2027, the alternative exemption is adjusted biennially to account for inflation in the same manner as set forth in subsection (2)(b)(I)(A) of this section, and the administrator shall certify the amount of the exemption for the next two-year cycle and publish the amount on the website maintained by the division of property taxation in the department of local affairs.

(III) THIS SUBSECTION (2)(b) IS REPEALED, EFFECTIVE JANUARY 1, 2028.

(3) (b) No later than February 1, 2022, and each February 1 thereafter THROUGH FEBRUARY 1, 2027, the administrator shall calculate the percentage increase or decrease in total valuation of business personal property in the state over the prior two property tax years. The administrator shall publish the percentage increase or decrease on the website maintained by the division of property taxation in the department of local affairs.

(c) (I) For the property tax years commencing on OR AFTER January 1, 2022, ~~and each year thereafter~~ BUT BEFORE JANUARY 1, 2027, each assessor shall calculate an estimate of the aggregate value of exempt business personal property for the county and each local governmental entity located within the county that is equal to the applicable baseline exemption total adjusted by the growth factor for each property tax year commencing on and after January 1, 2022 BUT BEFORE JANUARY 1, 2027.

(II) For the property tax years commencing on OR AFTER January 1, 2022, ~~and each year thereafter~~ BUT BEFORE JANUARY 1, 2027, each treasurer shall calculate the total property tax revenues lost by all local governmental entities within the treasurer's county based on the estimate of exempt business personal property amount calculated in accordance with subsection (3)(c)(I) of this section.

(d) No later than March 1, 2022, and each March 1 thereafter THROUGH MARCH 1, 2027, each treasurer shall report the amount specified in subsection (3)(a)(II) or (3)(c)(II) of this section, as applicable, and the basis for the amount to the

administrator, and the administrator may require a treasurer to provide additional information as necessary to evaluate the amount reported. The administrator shall confirm that the reported amount is correct or rectify the amount, if necessary. The administrator shall then forward the correct amount for each county to the state treasurer to enable the state treasurer to issue a reimbursement warrant to each treasurer in accordance with subsection (3)(e) of this section.

(e) No later than April 15, 2022, and April 15 of each year thereafter THROUGH APRIL 15, 2027, the state treasurer shall issue a warrant to be paid upon demand from the general fund to each treasurer that is equal to the amount specified by the administrator for the county under subsection (3)(d) of this section. Each treasurer shall distribute the total amount received from the state treasurer to the local governmental entities within the treasurer's county as if the revenues had been regularly paid as property tax. When distributing the money, the treasurer shall provide each local governmental entity with a statement of the amount distributed to the local governmental entity that represents the reimbursement received under this subsection (3)(e).

(e.5) NO LATER THAN APRIL 15, 2028, AND APRIL 15 OF EACH YEAR THEREAFTER, THE STATE TREASURER SHALL ISSUE A WARRANT TO BE PAID UPON DEMAND FROM THE GENERAL FUND TO EACH TREASURER THAT IS EQUAL TO THE AMOUNT SPECIFIED BY THE ADMINISTRATOR FOR THE COUNTY UNDER SUBSECTION (3)(d) OF THIS SECTION FOR THE 2026 PROPERTY TAX YEAR. EACH TREASURER SHALL DISTRIBUTE THE TOTAL AMOUNT RECEIVED FROM THE STATE TREASURER TO THE LOCAL GOVERNMENTAL ENTITIES WITHIN THE TREASURER'S COUNTY AS IF THE REVENUES HAD BEEN REGULARLY PAID AS PROPERTY TAX. WHEN DISTRIBUTING THE MONEY, THE TREASURER SHALL PROVIDE EACH LOCAL GOVERNMENTAL ENTITY WITH A STATEMENT OF THE AMOUNT DISTRIBUTED TO THE LOCAL GOVERNMENTAL ENTITY THAT REPRESENTS THE REIMBURSEMENT RECEIVED UNDER THIS SUBSECTION (3)(e.5).

(g)(I) This subsection (3) does not apply if the amount of the exemption created in subsection (1) of this section is the alternative exemption amount as required by subsection (2)(b)(I)(C) of this section.

(II) THIS SUBSECTION (3)(g) IS REPEALED, EFFECTIVE JANUARY 1, 2028.

**SECTION 3. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: June 2, 2026