

Uniform Community Property Disposition Death Act

House Sponsor: Cecelia Espenoza Senate Sponsor: Marc Snyder

HB26-1189 clarifies which kinds of property and income fall into the category of 'community property', for the purposes of disposition upon death of a spouse. The bill expands and specifies the scope of the types of property included in current disposition law. It ensures that the disposition of these assets applies regardless of where the decedent was residing at their time of death.

Primary Elements

Extends coverage to property located in Colorado, even if the decedent was not residing in Colorado at the time of their death

Applies disposition to personal property traceable to community property for decedents residing in Colorado at their time of death.

This applies to property that was **community owned, acquired with community funds, or was later converted to community property.**

This also includes income, rent, profit, appreciation, or other increases derived from or traceable to the kinds of property defined above.

Problem/Solution

Current Law

Current application to certain community property disposition is unclear, especially in cases of property located in Colorado but owned by decedents that reside elsewhere. This creates complications among surviving spouses/heirs and what portion of them are subject to community property disposition statutes.

- ✓ Eliminates ambiguity of included property, ensuring consistent application of disposition law.
- ✓ Protects the rights of surviving community property spouses for both in and out of state scenarios.
- ✓ Ensures that traced property value increases are treated consistently as community property.
- ✓ Reduces potential litigation and conflicts over property characterization and disposition upon death.