

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

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 25-0967.02 Jason Gelender x4330

SENATE BILL 25-261

SENATE SPONSORSHIP

Amabile and Kirkmeyer, Bridges, Rich

HOUSE SPONSORSHIP

Bird and Sirota, Taggart

Senate Committees

Appropriations

House Committees

Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE ADMINISTRATION OF THE PROPERTY TAX DEFERRAL**
102 **PROGRAM, AND, IN CONNECTION THEREWITH, AUTHORIZING**
103 **APPROPRIATIONS FROM SPECIFIED CASH FUNDS FOR THE 2025-26**
104 **STATE FISCAL YEAR ONLY TO FUND SUCH ADMINISTRATION.**

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/>.)

Joint Budget Committee. The state has a property tax deferral program (program) under which the state makes a secured loan to a qualified taxpayer to pay property taxes owed for the taxpayer's

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.

HOUSE
Amended 2nd Reading
April 9, 2025

SENATE
3rd Reading Unamended
April 3, 2025

SENATE
Amended 2nd Reading
April 2, 2025

homestead. The program was available only to seniors and persons called into active military service until 2021, when the general assembly expanded the program to also allow an otherwise nonqualifying taxpayer whose property tax had increased by at least a specified percentage (new qualified taxpayer) to participate. In 2022, the general assembly shifted much of the responsibility for the administration of the program from the county treasurers to the state treasurer.

The bill reverses the 2022 shift of administrative responsibilities for the program so that county treasurers will generally have the same responsibilities for administering the program as they did prior to 2022. The bill also specifies that a new qualified taxpayer may only claim deferral of property taxes levied for a property tax year commencing on or after January 1, 2025, if the board of county commissioners of the county in which the taxpayer's homestead is located has, after receiving input from the county treasurer of that county, adopted a resolution requiring the county treasurer to accept applications for such deferral claims.

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

SECTION 1. In Colorado Revised Statutes, 9-1.5-104.7, **amend** (3) introductory portion; and **add** (4) as follows:

9-1.5-104.7. Damage prevention fund - repeal. (3) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4) OF THIS SECTION, only the safety commission may authorize expenditures from the fund. Subject to annual appropriation by the general assembly, the safety commission may use money deposited in the fund only to:

(4) (a) FOR THE 2025-26 STATE FISCAL YEAR ONLY, THE GENERAL ASSEMBLY MAY APPROPRIATE MONEY FROM THE FUND TO THE DEPARTMENT OF TREASURY FOR USE BY THE ADMINISTRATION DIVISION FOR ADMINISTRATION OF THE STATE PROPERTY TAX DEFERRAL PROGRAM PURSUANT TO ARTICLE 3.5 OF TITLE 39.

(b) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE JULY 1, 2026.

SECTION 2. In Colorado Revised Statutes, 18-22-103, **amend** (3); and **add** (5) as follows:

1 **18-22-103. Source of revenues - allocation of money - repeal.**

2 (3) There is ~~hereby~~ created in the state treasury a youthful offender
3 system surcharge fund which ~~shall consist~~ CONSISTS of ~~moneys~~ MONEY
4 received by the state treasurer pursuant to ~~paragraph (b) of subsection (2)~~
5 SUBSECTION (2)(b) of this section. In accordance with section 24-36-114,
6 ~~C.R.S.~~, all interest derived from the deposit and investment of this fund
7 shall be credited to the general fund. Any ~~moneys~~ MONEY not
8 appropriated by the general assembly ~~shall remain~~ REMAINS in the
9 youthful offender system surcharge fund and shall not be transferred or
10 revert to the general fund of the state at the end of any fiscal year. EXCEPT
11 AS OTHERWISE PROVIDED IN SUBSECTION (5) OF THIS SECTION, all ~~moneys~~
12 MONEY in the fund ~~shall be~~ IS subject to annual appropriation by the
13 general assembly to the department of corrections to cover the direct and
14 indirect costs associated with the rehabilitation, education, and treatment
15 of youthful offenders sentenced to a youthful offender system.

16 (5) (a) FOR THE 2025-26 STATE FISCAL YEAR ONLY, THE GENERAL
17 ASSEMBLY MAY APPROPRIATE MONEY FROM THE YOUTHFUL OFFENDER
18 SYSTEM SURCHARGE FUND TO THE DEPARTMENT OF TREASURY FOR USE BY
19 THE ADMINISTRATION DIVISION FOR ADMINISTRATION OF THE STATE
20 PROPERTY TAX DEFERRAL PROGRAM PURSUANT TO ARTICLE 3.5 OF TITLE
21 39.

22 (b) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE JULY 1, 2026.

23 **SECTION 3.** In Colorado Revised Statutes, 24-50-122, **amend**
24 (2); and **add** (3) as follows:

25 **24-50-122. Opportunities for training - professional**
26 **development center cash fund - creation - rules - repeal.** (2) The
27 executive director of the department of personnel shall establish any fees

1 necessary to pay for the direct and indirect costs of the training programs
2 specified in subsection (1) of this section. All ~~moneys~~ MONEY collected
3 shall be transmitted to the state treasurer, who shall credit the same to the
4 professional development center cash fund, which fund is ~~hereby~~ created.
5 EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3) OF THIS SECTION, the
6 ~~moneys~~ MONEY in the fund ~~shall be~~ IS subject to annual appropriation by
7 the general assembly for the direct and indirect costs of establishing and
8 maintaining the training programs specified in subsection (1) of this
9 section. All interest derived from the deposit and investment of ~~moneys~~
10 MONEY in the fund shall be credited to the fund. Any unexpended and
11 unencumbered ~~moneys~~ MONEY remaining in the fund at the end of a fiscal
12 year ~~shall remain~~ REMAINS in the fund and shall not be credited or
13 transferred to the general fund or any other fund.

14 (3) (a) FOR THE 2025-26 STATE FISCAL YEAR ONLY, THE GENERAL
15 ASSEMBLY MAY APPROPRIATE MONEY FROM THE PROFESSIONAL
16 DEVELOPMENT CENTER CASH FUND TO THE DEPARTMENT OF TREASURY
17 FOR USE BY THE ADMINISTRATION DIVISION FOR ADMINISTRATION OF THE
18 STATE PROPERTY TAX DEFERRAL PROGRAM PURSUANT TO ARTICLE 3.5 OF
19 TITLE 39.

20 (b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2026.

21 **SECTION 4.** In Colorado Revised Statutes, 25-4-1708, **amend**
22 (1)(a) introductory portion; and **add** (5) as follows:

23 **25-4-1708. Fund created - repeal.** (1) (a) ~~There is hereby~~
24 ~~established in the state treasury a fund to be known as~~ The immunization
25 fund IS CREATED IN THE STATE TREASURY, which fund is, EXCEPT AS
26 OTHERWISE PROVIDED IN SUBSECTION (5) OF THIS SECTION, subject to
27 annual appropriation by the general assembly to the department of public

1 health and environment for the purposes of:

2 (5) (a) FOR THE 2025-26 STATE FISCAL YEAR ONLY, THE GENERAL
3 ASSEMBLY MAY APPROPRIATE MONEY FROM THE IMMUNIZATION FUND TO
4 THE DEPARTMENT OF TREASURY FOR USE BY THE ADMINISTRATION
5 DIVISION FOR ADMINISTRATION OF THE STATE PROPERTY TAX DEFERRAL
6 PROGRAM PURSUANT TO ARTICLE 3.5 OF TITLE 39.

7 (b) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE JULY 1, 2026.

8 **SECTION 5.** In Colorado Revised Statutes, 25.5-10-305.5, add
9 (4) as follows:

10 **25.5-10-305.5. Family support services fund - creation - repeal.**

11 (4) (a) FOR THE 2025-26 STATE FISCAL YEAR ONLY, THE GENERAL
12 ASSEMBLY MAY APPROPRIATE MONEY FROM THE FUND TO THE
13 DEPARTMENT OF TREASURY FOR USE BY THE ADMINISTRATION DIVISION
14 FOR ADMINISTRATION OF THE STATE PROPERTY TAX DEFERRAL PROGRAM
15 PURSUANT TO ARTICLE 3.5 OF TITLE 39.

16 (b) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE JULY 1, 2026.

17 **SECTION 6.** In Colorado Revised Statutes, amend 28-3-107 as
18 follows:

19 **28-3-107. Department of military and veterans affairs fund -**

20 **creation - repeal.** (1) Any gifts, grants, and donations accepted by the
21 adjutant general pursuant to section 28-3-106 (1)(x) shall be transmitted
22 to the state treasurer, who shall credit the same to the department of
23 military and veterans affairs fund, which fund is hereby created and
24 referred to in this section as the "fund". The moneys MONEY in the fund
25 shall be invested by the state treasurer as provided in sections 24-36-109,
26 24-36-112, and 24-36-113. ~~C.R.S.~~ Any unexpended and unencumbered
27 moneys MONEY remaining in the fund at the end of any fiscal year shall

1 remain in the fund and shall not revert or be credited or transferred to the
2 general fund or be transferred to any other fund. Any interest or income
3 derived from the deposit and investment of ~~moneys~~ MONEY in the fund
4 ~~shall remain~~ REMAINS in the fund and shall not be credited to the general
5 fund. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2) OF THIS
6 SECTION, ~~moneys~~ MONEY in the fund ~~shall be~~ IS continuously appropriated
7 to the department for use by the adjutant general to carry out the functions
8 and duties set forth in this ~~title~~ TITLE 28.

9 (2) (a) FOR THE 2025-26 STATE FISCAL YEAR ONLY, THE GENERAL
10 ASSEMBLY MAY APPROPRIATE MONEY FROM THE FUND TO THE
11 DEPARTMENT OF TREASURY FOR USE BY THE ADMINISTRATION DIVISION
12 FOR ADMINISTRATION OF THE STATE PROPERTY TAX DEFERRAL PROGRAM
13 PURSUANT TO ARTICLE 3.5 OF TITLE 39.

14 (b) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JULY 1, 2026.

15 **SECTION 7.** In Colorado Revised Statutes, 37-60-122.8, **amend**
16 (1); and **add** (4) as follows:

17 **37-60-122.8. Publications fund - repeal.** (1) There is ~~hereby~~
18 created in the state treasury the publications fund. The fund ~~shall consist~~
19 ~~of moneys~~ CONSISTS OF MONEY paid to the board from persons outside the
20 board for copies of public records or publications provided by the board.
21 The ~~moneys~~ MONEY in the fund may be expended by the board to pay for
22 the cost of providing copies of public records or publications to persons
23 outside the board. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4) OF
24 THIS SECTION, the ~~moneys~~ MONEY in the fund ~~are hereby~~ IS continuously
25 appropriated to the board for the purposes established in this section.

26 (4) (a) FOR THE 2025-26 STATE FISCAL YEAR ONLY, THE GENERAL
27 ASSEMBLY MAY APPROPRIATE MONEY FROM THE PUBLICATIONS FUND TO

1 THE DEPARTMENT OF TREASURY FOR USE BY THE ADMINISTRATION
2 DIVISION FOR ADMINISTRATION OF THE STATE PROPERTY TAX DEFERRAL
3 PROGRAM PURSUANT TO ARTICLE 3.5 OF TITLE 39.

4 (b) THIS SUBSECTION (4) IS REPEALED, EFFECTIVE JULY 1, 2026.

5 **SECTION 8.** In Colorado Revised Statutes, **amend** 38-25.5-105
6 as follows:

7 **38-25.5-105. Department of revenue fees - repeal.** (1) Except
8 as provided in section 38-25.5-103.5, fees collected by the department of
9 revenue pursuant to this ~~article~~ ARTICLE 25.5 shall be deposited in the
10 state treasury in the tax lien certification fund which ~~FUND~~ is ~~hereby~~
11 CREATED IN THE STATE TREASURY. EXCEPT AS OTHERWISE PROVIDED IN
12 SUBSECTION (2) OF THIS SECTION, ~~moneys~~ MONEY so deposited and all
13 interest earned on such ~~moneys~~ MONEY shall be used by the department
14 of revenue for the purposes of this ~~article~~ ARTICLE 25.5 in accordance
15 with the annual appropriation by the general assembly and shall not be
16 deposited in or transferred to the general fund; except that ~~moneys~~ MONEY
17 in excess of the maximum reserve, as defined in section 24-75-402
18 (2)(e.5), ~~C.R.S.~~, that remain in the fund at the end of any state fiscal year
19 commencing on or after July 1, 2000, shall be transferred to the general
20 fund.

21 (2) (a) FOR THE 2025-26 STATE FISCAL YEAR ONLY, THE GENERAL
22 ASSEMBLY MAY APPROPRIATE MONEY FROM THE TAX LIEN CERTIFICATION
23 FUND TO THE DEPARTMENT OF TREASURY FOR USE BY THE
24 ADMINISTRATION DIVISION FOR ADMINISTRATION OF THE STATE PROPERTY
25 TAX DEFERRAL PROGRAM PURSUANT TO ARTICLE 3.5 OF TITLE 39.

26 (b) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JULY 1, 2026.

27 **SECTION 9.** In Colorado Revised Statutes, 39-28-102.5, **amend**

1 (1); and **add** (3) as follows:

2 **39-28-102.5. Licensing of wholesale subcontractors - rules -**

3 **finer - repeal.** (1) It is unlawful for any wholesale subcontractor to sell

4 or offer for sale cigarettes to a retailer in this state without first obtaining

5 a license therefor, granted and issued by the department, which license

6 shall be in effect until June 30 following the date of issue, unless sooner

7 revoked. Such licenses shall be granted only to such wholesale

8 subcontractors who own or operate the places from which such sales are

9 to be made, and, in case sales are made from two or more separate places

10 by any such wholesale subcontractor, a separate license for each place of

11 business shall be required. No license shall be issued to a wholesale

12 subcontractor unless the wholesale subcontractor has a current license

13 issued pursuant to section 39-26-103. Such licenses shall be renewed only

14 upon timely application and payment of the required fee prior to

15 expiration. Such licenses may be transferred in the discretion of and

16 pursuant to rules adopted by the department. The license fee shall be ten

17 dollars per year, and such license fees shall be credited to the wholesale

18 and distributing subcontractor license fund, which is hereby created in the

19 state treasury. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3) OF

20 THIS SECTION, all ~~monies~~ MONEY in the fund shall be IS subject to annual

21 appropriation by the general assembly to the department for costs incurred

22 in administering this section and section 39-28.5-104.5. Such license fees

23 shall be reduced at the rate of two dollars and fifty cents for each expired

24 quarter of the license year. The department shall, on reasonable notice and

25 after a hearing, suspend or revoke the license of any wholesale

26 subcontractor violating any provision of this ~~article~~ ARTICLE 28, and no

27 license shall be issued to such wholesale subcontractor within a period of

1 two years thereafter. The department may share information on the names
2 and addresses of persons who purchased cigarettes from a wholesale
3 subcontractor for resale with the department of public health and
4 environment and county and district public health agencies. The
5 department shall refuse to issue a new or renewal wholesale subcontractor
6 license and shall revoke a wholesale subcontractor's license, if the
7 wholesaler owes the state any delinquent taxes administered by the
8 department or interest thereon pursuant to this ~~title~~ TITLE 39 that have
9 been determined by law to be due and unpaid, unless the wholesaler has
10 entered into an agreement approved by the department to pay the amount
11 due.

12 (3) (a) FOR THE 2025-26 STATE FISCAL YEAR ONLY, THE GENERAL
13 ASSEMBLY MAY APPROPRIATE MONEY FROM THE WHOLESALE AND
14 DISTRIBUTING SUBCONTRACTOR LICENSE FUND TO THE DEPARTMENT OF
15 TREASURY FOR USE BY THE ADMINISTRATION DIVISION FOR
16 ADMINISTRATION OF THE STATE PROPERTY TAX DEFERRAL PROGRAM
17 PURSUANT TO ARTICLE 3.5 OF THIS TITLE 39.

18 (b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2026.

19 **SECTION 10.** In Colorado Revised Statutes, **amend** 40-10.1-509
20 as follows:

21 **40-10.1-509. Outreach - fund - repeal.** (1) The moving outreach
22 fund is ~~hereby~~ created in the state treasury. The fund consists of one-half
23 the penalties collected from movers and credited to the fund under section
24 40-7-112. EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2) OF THIS
25 SECTION, the commission shall use the fund to educate consumers about
26 their rights and the responsibilities of movers under this part 5. This
27 outreach includes public service announcements about the licensing of

1 movers. The ~~monneys~~ MONEY in the fund and any interest earned on
2 ~~monneys~~ MONEY in the fund ~~remain~~ REMAINS in the fund and ~~do~~ DOES not
3 revert to the general fund at the end of any fiscal year.

4 (2) (a) FOR THE 2025-26 STATE FISCAL YEAR ONLY, THE GENERAL
5 ASSEMBLY MAY APPROPRIATE MONEY FROM THE MOVING OUTREACH FUND
6 TO THE DEPARTMENT OF TREASURY FOR USE BY THE ADMINISTRATION
7 DIVISION FOR ADMINISTRATION OF THE STATE PROPERTY TAX DEFERRAL
8 PROGRAM PURSUANT TO ARTICLE 3.5 OF TITLE 39.

9 (b) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JULY 1, 2026.

10 **SECTION 11.** In Colorado Revised Statutes, **amend** 42-1-226 as
11 follows:

12 **42-1-226. Disabled parking education and enforcement fund**
13 **- created - repeal.** ~~There is hereby created in the state treasury~~ The
14 disabled parking education and enforcement fund IS CREATED IN THE
15 STATE TREASURY, which FUND consists of money collected pursuant to
16 this section and section 42-4-1208 (6) and (7). EXCEPT AS OTHERWISE
17 PROVIDED IN SUBSECTION (2) OF THIS SECTION, the general assembly shall
18 appropriate the money in the fund for the purposes specified in sections
19 42-1-227, 42-3-204, and 42-4-1208. Unexpended and unencumbered
20 money in the fund at the end of a fiscal year remains in the fund and shall
21 not be credited or transferred to the general fund or another fund. The
22 department may accept gifts, grants, or donations from private or public
23 sources for the purposes of this section. All private and public money
24 received through gifts, grants, or donations must be transmitted to the
25 state treasurer, who shall credit the money to the fund.

26 (2) (a) FOR THE 2025-26 STATE FISCAL YEAR ONLY, THE GENERAL
27 ASSEMBLY MAY APPROPRIATE MONEY FROM THE DISABLED PARKING

1 EDUCATION AND ENFORCEMENT FUND TO THE DEPARTMENT OF TREASURY
2 FOR USE BY THE ADMINISTRATION DIVISION FOR ADMINISTRATION OF THE
3 STATE PROPERTY TAX DEFERRAL PROGRAM PURSUANT TO ARTICLE 3.5 OF
4 TITLE 39.

5 (b) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JULY 1, 2026.

6 **SECTION 12. Appropriation.** (1) For the 2025-26 state fiscal
7 year, \$721,716 is appropriated to the department of treasury for use by the
8 administration division for administration of the state property tax
9 deferral program pursuant to article 3.5 of title 39, C.R.S. This
10 appropriation consists of:

11 (a) \$175,058 from the damage prevention fund created in section
12 9-1.5-104.7, C.R.S.;

13 (b) \$121,389 from the disabled parking education and
14 enforcement fund created in section 42-1-226, C.R.S.;

15 (c) \$118,741 from the professional development center cash fund
16 created in section 24-50-122, C.R.S.;

17 (d) \$85,901 from the tax lien certification fund created in section
18 38-25.5-105, C.R.S.;

19 (e) \$83,839 from the dispute resolution fund created in section
20 13-22-310, C.R.S.;

21 (f) \$83,354 from the family support services fund created in
22 section 25.5-10-305.5, C.R.S.;

23 (g) \$21,278 from the immunization fund created in section
24 25-4-1708, C.R.S.;

25 (h) \$9,648 from the publications fund created in section
26 37-60-122.8, C.R.S.;

27 (i) \$6,784 from the youthful offender system surcharge fund

1 created in section 18-22-103, C.R.S.;

2 (j) \$5,963 from the moving outreach fund created in section

3 40-10.1-509, C.R.S.;

4 (k) \$5,348 from the department of military and veterans affairs

5 fund created in section 28-3-107, C.R.S.; and

6 (l) \$4,413 from the wholesale and distributing subcontractor

7 license fund created in section 39-28-102.5, C.R.S.

8 (2) To implement this act, the division may use this appropriation

9 as follows:

10 (a) \$600,000 for a contract with a third party for program

11 administration as authorized by section 39-3.5-103.5 (2), C.R.S.;

12 (b) \$99,360 for temporary employees to support a call center and

13 field calls, which amount is based on an assumption that the division will

14 require an additional 4.0 FTE in January and February 2026, an additional

15 3.0 FTE in March and April 2026, and an additional 1.0 FTE in May

16 2026; and

17 (c) \$22,356 for other operating and administrative expenses.

18 **SECTION 13. Safety clause.** The general assembly finds,

19 determines, and declares that this act is necessary for the immediate

20 preservation of the public peace, health, or safety or for appropriations for

21 the support and maintenance of the departments of the state and state

22 institutions.