

*Colorado Legislative Council Staff Fiscal Note***NO FISCAL IMPACT**

Drafting Number: LLS 15-0476
Prime Sponsor(s): Rep. Ryden
Sen. Holbert

Date: January 22, 2015
Bill Status: House Local Government
Fiscal Analyst: Clare Pramuk (303-866-2677)

BILL TOPIC: HOMESTEAD EXEMPTION RECORDED INSTRUMENT REQUIREMENTS

Summary of Legislation

Current law requires that a homestead exemption document include the property description, the nature and source of the owner's interest in the property, and affirmation that the owner or owner's spouse is homesteading the property. This bill requires that name of the owner of the property also be included on the homestead exemption document.

Background

The homestead exemption allows property owners to exempt up to \$60,000 of the value of their primary residences from creditors. The exemption for disabled or elderly property owners is up to \$90,000. A property owner is not required to take action in order to be entitled to the homestead exemption, so a minimal number are actually recorded. When purchasing a property, buyers may waive the homestead exemption as a condition of a bank loan.

Assessment

This bill is assessed as having no fiscal impact. It requires owners of the property to include their names on homestead exemptions recorded with a county clerk and recorder. This does not require a new form or any increase in workload for the county clerk and recorders.

Effective Date

The bill takes effect August 5, 2015, if the General Assembly adjourns on May 6, 2015, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Assessors
Law

Counties
Local Affairs

Clerk and Recorders
Revenue