

Regulation 39-31-101. Property Tax-Rent-Heat Grant/Rebate

1) Location of Residence.

- a) The rebate is available only for property tax paid on residences located within Colorado.
- b) Heat or fuel expenses must be paid for heating residences within Colorado.

2) Filing Status.

- a) Individuals who are not married at any time during the year must file a single claim.
- b) A husband and wife must file a joint claim if they are legally married on December 31 of the claim year. This requirement includes a husband and wife who maintain separate residences or are legally separated on December 31.
- c) A husband and wife whose divorce becomes final during the year must file separate single claims if they remain unmarried on December 31.
- d) If one spouse dies during the year, the surviving spouse will file the rebate claim jointly for that year. The only exception will occur if the surviving spouse remarries prior to the end of the claim year, in which case the surviving spouse will file joint with the new spouse and a single claim may be filed on behalf of the deceased spouse.

3) Gross Income.

- a) Income that is not included when computing the rebate:
 - i) Return of capital invested in an asset
 - ii) Capital losses
 - iii) Gifts
 - iv) Child support payments
 - v) Income tax refunds
 - vi) Prior year property tax-rent-heat rebates
 - vii) Home care allowance
 - viii) Adult foster care assistance
 - ix) Welfare payments to dependent children
 - x) Heat/fuel assistance payments such as LEAP

- x) Veteran's service connected disability payments
 - xii) Amount paid for Medicare premiums when paid by Medicaid
- b) Income that is included when computing the rebate:
- i) Gross receipts less expenses that are deductible as business expenses under the provisions of the Internal Revenue Code. The object is to determine the actual cash flow received by the individual during the year, so expenses such as depreciation that do not affect the cash flow during the year are not included in the computation.
 - ii) Alimony
 - iii) Social Security benefits including amounts paid for Medicare benefits
 - iv) SSI benefits including amounts paid for Medicare benefits
 - v) Inheritance
 - vi) Worker's compensation
 - vii) Commissions
 - viii) Royalties
 - ix) Veteran's benefits
 - x) Capital gains
 - xi) Railroad retirement (Tier I and 2)
 - xii) Disability payments
 - xiii) Disability insurance settlements
 - xiv) Lottery and gambling winnings
 - xv) Life insurance less funeral expenses
 - xvi) Welfare payments
 - xvii) Federal gross income unless separately addressed in this regulation
 - xviii) Old Age Pension payments

4) Rent Expenses.

a) When computing the rebate, 20% of the net rental payments are considered property tax paid.

i) If the rent is paid on property that is exempt from property tax, then no property tax will be considered paid through the rental payments.

ii) If meals are included in room and board payments, then 50% of the total amount paid is considered paid for rent.

iii) If heat or fuel expenses are included in the rent payments, then the property tax paid through the rent payments is computed on 90% of the total payments. The remaining 10% of the rent payments are considered payment for heat and fuel expenses.

iv) Any payments made to a nursing home are not included in rent payments when computing the rebate.

5) Two or More Unmarried Persons Living Together.

a) If one owner: The owner of the owner-occupied residence will claim the rebate based on the property tax paid. If the owner is receiving rent from the person he/she is living with, the rent must be reported as income. The renter may claim the amount paid for rent to compute his/her rent rebate. Each qualified person may claim a rebate for the portion of the rent or heat expense he/she actually paid.

b) If joint ownership: Each owner of the residence may claim the portion of the property tax he/she actually paid or the claim may be according to his/her percentage of ownership in the property. Each qualified person may claim a rebate for the portion of the rent or heat expense he/she actually paid.

c) If both rent: Each renter must claim the rent and heat paid according to his/her percentage of the household income. This is the case even if only one renter qualifies for the rebate. This also applies for households that include a disabled child that qualifies for the rebate.

6) Hearings and Appeals.

The hearing and appeal process is subject to all requirements included under §39-21-103 C.R.S. through §39-21-106 C.R.S.

7) Statute of Limitations.

a) Rebate Claim – The Department of Revenue must receive the PTC application on or before December 31 of the second year following the close of the calendar year for which the PTC rebate is being applied.

b) Assessment – Any assessment must be made within three years of the filing of the PTC rebate application, except when there is a written agreement between the taxpayer and the executive director to waive the statute of limitations or when a written proposed

adjustment (e.g. a notice of deficiency or assessment) has been issued prior to the expiration of the three year period.

8) Intercepts.

Rebate claims are subject to all intercepts included under §39-21-108 C.R.S.

9) Interest.

a) If a rebate amount must be repaid for any reason, interest is charged from the time the rebate was originally issued to the date of repayment at the interest rate imposed by 39-21-110.5 C.R.S. A three percent discount is allowed if the balance due is paid or an agreement to pay is established within 30 days of the of the initial billing notice.

b) Interest is not paid on rebates because there is no due date from which interest can accrue.

10) Timing of Payments.

a) PTC rebates are issued in equal installments during the year following the year for which the rebate is being issued. Unpaid installments will be adjusted when an amendment or adjustment to the total rebate occurs during the year. Payments will be rounded to the nearest dollar with the final payment modified to account for any rounding discrepancy.

b) A rebate claimed on an application that is received, processed, and approved by early March will be issued in four equal installments during March, June, September and December.

c) A rebate claimed on an application that is received, processed, and approved by early June but after such date to meet the requirements of paragraph (b) will be issued in three equal installments during June, September and December.

d) A rebate claimed on an application that is received, processed and approved by early September but after such date to meet the requirements of paragraph (c) will be issued in two equal installments during September and December.

e) A rebate claimed on an application that is received, processed and approved by early December but after such date to meet the requirements of paragraph (d) will be issued in one installment during December.

f) A rebate claimed on an application that is received, processed and approved by the latest date allowed by the statute of limitations but after such date to meet the requirements of paragraph (e) will be issued in one installment.