



## DENVER PROPERTY TAX RELIEF PROGRAM (D.R.M.C. CHAPTER 53, ARTICLE XI) PROPOSED ORDINANCE AMENDMENTS

Denver Human Services (DHS) is proposing ordinance amendments to the Denver Property Tax Relief Program, to be effective starting in the application year that begins May 1, 2021.

### Background:

The [Denver Property Tax Relief Program](#) provides a partial refund of property taxes paid, or the equivalent in rent, to qualifying Denver residents. At its conception, the program provided refunds to qualifying adults age 65 and older and individuals with disabilities, including those who were homeowners as well as tenants/lessees. Among other requirements, applicants were required to be Denver residents, and could only claim a refund for a residence in Denver that is not expressly exempted from taxation by law (these provisions continue to apply in the program now). All applicants, both homeowners and tenants, were required to meet income limits based on an amount set in ordinance, which was modified annually by the amount of the cost of living adjustment approved by the federal Social Security Administration for Social Security recipients. The program was administered by the Treasury Division of the Department of Finance until 2017, when it was transferred to DHS.

In January 2019, in partnership with City Council members, DHS pursued, and City Council passed ordinance amendments to the program to expand eligibility to homeowners who have dependent minor children living at the property for which they claim a refund. The income limit was also changed for homeowners. Applicants who were homeowners were set at an income limit based on Area Median Income (AMI), as opposed to the calculation described above (tenants remained under the income limit calculation described above). Homeowner applicants with dependent minor children were set at a higher limit (40% AMI) than homeowner applicants who were older adults or individuals with disabilities (35% AMI). There were no significant changes made for the tenant/lessee population. These changes were effective starting May 1, 2019, and still apply now.

### Recent Changes to Program Rules (effective now, applying in the current year and ongoing, per public hearing held on Nov. 2, 2020):

- Social Security Administration benefits and dependent income no longer count towards income eligibility (or calculation of benefit amount, if eligible) for the purposes of this program.
- Tenant income limit amounts are written into rule, as required by ordinance.
- The department is authorized to accept self-attestation forms from prior year benefit recipients, requiring only notification of any changes in status (i.e. residency or income).

### Goals of the Proposed Ordinance Amendments:

1. Expand the pool of eligible homeowners by increasing the income eligibility limit.
2. Simplify program eligibility, to be more easily understandable for the public and marketable by DHS.

### Proposed Ordinance Amendments:

- **HOMEOWNERS: set income limit at 60% Area Median Income (AMI) for all eligible homeowners** (older adults age 65+, individuals with disabilities, and households with dependent minors).
  - Currently, older adults/individuals with disabilities are 35% AMI, families are 40% AMI.
  - [2020 AMI](#) would be used for applications starting on May 1, 2021 (because the program is a refund of property taxes paid in a prior year, it utilizes prior year AMI).

- **TENANTS/LESSEES: change how the income limit is set.** Instead of using the current formula based on cost of living adjustments by the Social Security Administration, **set the income limits at an AMI level (corresponding with where the current income limits are).** For tenants, eligible groups will continue to be older adults age 65+ and individuals with disabilities. Proposed AMI income limits:
  - **Single Applicant tenants: 25% AMI**
  - **Married Applicant tenants: 30% AMI**
  - [2020 AMI](#) would be used for applications starting on May 1, 2021 (because the program is a refund of rent paid in a prior year, it utilizes prior year AMI).
  
- **ALL APPLICANTS: change the requirement that applicants must have resided in the same dwelling unit all year. Allow applicants to have resided in multiple dwelling units,** as long as all dwelling units meet program requirements (i.e. no tax-exempt housing, must be located in Denver).
  
- **Administrative change: remove the requirement that DHS annually updates income limit amounts in rule for tenants/lessees.** An AMI chart is already included in the FAQs for the program.

*For questions, please contact:*

Lauren Harvey

Legislative Liaison, Denver Human Services

[Lauren.Harvey@denvergov.org](mailto:Lauren.Harvey@denvergov.org)