

Income Tax Topics: Income-Qualified Senior Housing Tax Credit



Income-qualified seniors may claim a refundable housing tax credit on their 2022 and 2024 Colorado income tax returns. Anyone who claims the Senior Property Tax Exemption does not qualify for the credit. The credit is allowed only for tax years 2022 and 2024 and is not allowed for any other tax years.

This publication is designed to provide general guidance regarding the income-qualified senior housing tax credit and to supplement the guidance provided in the [Colorado Individual Income Tax Guide](#). Nothing in this publication modifies or is intended to modify Colorado's statutes or regulations. Taxpayers are encouraged to consult their tax advisors for guidance regarding specific situations.

Income-qualified seniors

The credit is allowed to qualifying seniors who meet age and income requirements and who have not claimed a property tax exemption. To qualify, a taxpayer must satisfy all of the following requirements:

- They must be either a full-year or part-year Colorado resident for the tax year;
- They must be 65 years or older at the end of the tax year;
- Their federal adjusted gross income for tax year must be under the applicable limit (see below); and
- They must not have claimed a property tax exemption for the tax year under section 39-3-203, C.R.S., discussed later in this publication.

Income-qualified seniors who satisfy all of the preceding requirements qualify for the credit regardless of whether they own their homes, rent their homes, or have other living arrangements.

Adjusted Gross Income Limits

Tax Year	2022	2024
Single, head of household, or married filing separately	\$75,000	\$75,000
Married filing jointly	\$75,000	\$125,000

Property tax exemption under section 39-3-203

Section 39-3-203, C.R.S., authorizes a partial property tax exemption, commonly known as the Senior Property Tax Exemption or the Senior Homestead Exemption. The partial exemption is allowed to qualifying seniors, their surviving spouses, and qualifying disabled veterans. Any senior, surviving spouse, or disabled veteran who claims the partial property tax exemption authorized by section 39-3-203, C.R.S., may not claim the income-qualified senior housing tax credit. Information about the Senior Property Tax Exemption can be found online at DPT.Colorado.gov/property-tax-exemption-for-senior-citizens-in-colorado.

Any individual who claimed the property tax exemption for property tax year 2022 cannot claim the senior housing income tax credit for income tax year 2022. For income tax year 2024, the senior housing income tax credit is not allowed to any individual who claimed the property tax exemption on or before August 15, 2024, for property tax year 2024.



Credit calculation

The allowable credit depends on the qualifying senior's filing status and federal adjusted gross income for the tax year. The maximum credit is allowed to qualifying seniors whose federal adjusted gross income for the tax year is less than \$25,500. The amount of the allowable credit decreases proportionally ("phases out") for qualifying seniors whose federal adjusted gross income is \$25,500 or more. No credit is allowed to taxpayers whose adjusted gross income exceeds the limits shown earlier in this publication.

The [2024 credit calculator and credit table](#) provide credit amounts for tax year 2024. Credit amounts for tax year 2002 can be found in the [2022 Individual Income Tax Booklet](#).

Claiming the credit

Qualifying seniors may claim the credit on their [Individual Income Tax Return \(DR 0104\)](#). A completed and [Individual Credit Schedule \(DR 0104CR\)](#) must be submitted with the return to claim the credit.

If the allowable credit exceeds the qualifying senior's tax liability, the excess credit will be refunded to them.

Additionally, the Department will evaluate any filed [Colorado Property Tax/Rent/Heat Rebate Application \(DR 0104PTC\)](#) to determine if the applicant qualifies for the credit. If the Department can verify the applicant's eligibility for both the tax/rent/heat rebate and the income-qualified senior housing tax credit, the Department will issue the applicant a refund for the credit. If the Department cannot verify their eligibility for the credit based on the rebate application (DR 0104PTC), a qualifying senior may file an [Individual Income Tax Return \(DR 0104\)](#) along with an [Individual Credit Schedule \(DR 0104CR\)](#) to claim the credit.

Additional resources

The following is a list of statutes, regulations, forms, and guidance pertaining to the income-qualified senior housing tax credit. This list is not, and is not intended to be, an exhaustive list of authorities that govern the tax treatment of every situation. Individuals and businesses with specific questions should consult their tax advisors.

Statutes and regulations

- § 39-22-544, C.R.S. Credit against tax - qualifying seniors.

Forms and guidance

- [Tax.Colorado.gov](#)
- [Individual Income Tax Return \(DR 0104\)](#)
- [Individual Credit Schedule \(DR 0104CR\)](#)
- [Colorado Property Tax/Rent/Heat Rebate Application \(DR 0104PTC\)](#)
- [2024 credit calculator and credit table](#)
- [2022 Individual Income Tax Booklet](#)