Proposed Expansion to Denver’s Property Tax Rebate Program for Qualifying Low-income Households

October 2018
Current Program

Eligibility:

- Renter or owner-occupant
- Over age 65 or totally disabled, *and*
- Under income threshold:
  - Single applicant: $15,900*
  - Double applicant: $23,200*

*2017 income levels
Current Program

Benefit:
• Payment amount is scaled to income
  • Minimum: $372
  • Maximum: $778
• Average payment (2017): $418

Utilization:
• Estimated 11% of eligible households:
  • 80% Renters
  • 20% Owners
Proposed Changes

Eligibility:
• Renters - no changes
• Homeowners
  • Over age 65 or disabled, and
  • Below 35% Area Median Income

OR
• Households with at least one child under 18, and
  • Below 40% Area Median Income

% Area Median Income (2017) | Household Size
---|---|---|---|---|---
| 1 | 2 | 3 | 4 | 5 |
| 30% AMI | $17,640 | $20,160 | $22,680 | $25,170 | $27,210 |
| 35% AMI | $20,580 | $23,520 | $26,460 | $29,365 | $31,745 |
| 40% AMI | $23,520 | $26,880 | $30,240 | $33,560 | $36,280 |
| 60% AMI | $35,280 | $40,320 | $45,360 | $50,340 | $54,420 |
| 80% AMI | $47,040 | $53,760 | $60,480 | $67,120 | $72,560 |
| 100% AMI | $58,800 | $67,200 | $75,600 | $83,900 | $90,700 |

Current Program (*2017 income levels):
Single applicant: $15,900* = 27% AMI for 1-person household
Double applicant: $23,200* = 34% AMI for 2-person household
Proposed Changes

• **Rebate:**
  • Inversely proportional to income. Lower income households will receive a higher rebate. Will stay within the $400-$500 average range

• **Administrative Changes**
Process

1. Proposal is part of 2019 Budget process
   • Under review until November 2018
2. City team is concurrently working on ordinance modifications
   • Revised ordinance will go through 6-8 week process
   • Program targeted to begin in 2019
3. Denver Human Services will amend their Rules and Regulations
4. Increased Outreach
   • Property tax bill insert
   • Denver Human Services planned outreach
5. Program targeted to begin in 2019
   • Taking applications in May of 2019 for rebates of bill paid for prior tax year