

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

HB22-1149 be amended as follows:

1 Amend printed bill, page 2, line 3, strike "(2)(c), (3)(a), (3)(b)(I), (3)(c)," and substitute "(2)(a), (2)(c), (2)(d), (3)(a), (3)(b),".

3 Page 3, after line 5 insert:

4 "(2) (a) The office shall receive and evaluate applications that are
5 submitted by qualified investors to receive an advanced industry
6 investment tax credit for qualified investments made in a qualified small
7 business. THE OFFICE SHALL ALSO DEVELOP AND ADMINISTER A MARKING
8 INITIATIVE FOR QUALIFIED INVESTMENTS PURSUANT TO THIS SECTION."

9 Page 3, line 6, strike "(2)".

10 Page 3, after line 26 insert:

11 "(d) As part of the application for an advanced industry
12 investment tax credit, the applicant and the qualified small business that
13 receives the investment must each provide written authorization to permit
14 the department of revenue to provide tax information to the office for the
15 purpose of determining if there are any misrepresentations on the
16 application. The authorization is limited to disclosure of income tax
17 information for the latest two years for which returns were filed with the
18 department of revenue preceding the date the application is filed and for
19 all tax years through the year in which the investment was made for
20 which a return was not filed as of the date of the application. The
21 applicant must also provide in the written authorization income tax
22 information for all tax years in which the applicant actually claims a tax
23 credit ~~or carries forward a tax credit~~ on a return filed with the department
24 of revenue. An applicant ~~with an individual ownership interest as a~~
25 ~~co-owner of a business and that may be entitled to a pro rata share of the~~
26 ~~tax credit pursuant to section 39-22-532 (5), C.R.S. THAT IS A~~
27 ~~PARTNERSHIP, LIMITED LIABILITY COMPANY, S CORPORATION, OR SIMILAR~~
28 ~~PASS-THROUGH ENTITY AND THAT MAY ALLOCATE THE CREDIT AMONG THE~~
29 ~~PARTNERS, SHAREHOLDERS, MEMBERS, OR OTHER CONSTITUENT QUALIFIED~~
30 ~~INVESTORS PURSUANT TO SECTION 39-22-532 (7) must provide a written~~
31 ~~authorization with content similar to the authorization, and in the same~~
32 ~~manner, as any other applicant is required to provide. If an applicant or~~
33 ~~qualified small business fails to comply with this paragraph (d)~~
34 ~~SUBSECTION (2)(d), an applicant is ineligible for a tax credit."~~

35 Page 4, line 20, after "year" insert "THROUGH 2022".

36 Page 4, strike line 27.

1 Page 5, strike lines 1 through 10 and substitute:
2 "(II) The total amount of the tax credit for each qualified
3 investment shall not exceed ~~fifty~~ ONE HUNDRED thousand dollars. A
4 qualified investor may not claim more than one tax credit per qualified
5 small business, but may be eligible for a tax credit for qualified
6 investments in different qualified small businesses in the same or a
7 different year."

8 Page 6, after line 2 insert:

9 "SECTION 2. In Colorado Revised Statutes, 39-22-532, **amend**
10 (4); **repeal** (5); and **add** (7) as follows:

11 **39-22-532. Advanced industry investment tax credit -**
12 **definitions.** (4) If the allowable advanced industry investment tax credit
13 exceeds the amount of income tax due on the income of the taxpayer for
14 the tax year during which the qualified investment was made, the amount
15 of the tax credit not used as an offset against income taxes in such income
16 tax year is not allowed as a refund. ~~The taxpayer may carry forward and~~
17 ~~apply the unused credit against the income tax due in each of the five~~
18 ~~succeeding income tax years, but the taxpayer shall apply the credit~~
19 ~~against the income tax due for the earliest of the income tax years~~
20 ~~possible. Any amount of the tax credit that is not used after this period is~~
21 ~~not refundable.~~

22 (5) ~~Individuals who are co-owners of a business, including~~
23 ~~partners in a partnership and shareholders of an S corporation, may each~~
24 ~~claim only their individual pro rata shares of the Colorado innovation~~
25 ~~investment tax credit allowed under this section based on their ownership~~
26 ~~interests. The total of the tax credits allowed to all such owners may not~~
27 ~~exceed the amount that would have been allowed to a sole owner.~~

28 (7) IF A QUALIFIED INVESTOR RECEIVING A CREDIT ALLOWED IN
29 THIS SECTION IS A PARTNERSHIP, LIMITED LIABILITY COMPANY, S
30 CORPORATION, OR SIMILAR PASS-THROUGH ENTITY, THE QUALIFIED
31 INVESTOR MAY ALLOCATE THE CREDIT AMONG ITS PARTNERS,
32 SHAREHOLDERS, MEMBERS, OR OTHER CONSTITUENT QUALIFIED INVESTORS
33 IN ANY MANNER AGREED TO BY SUCH PARTNERS, SHAREHOLDERS,
34 MEMBERS, OR OTHER CONSTITUENT QUALIFIED INVESTORS. THE QUALIFIED
35 INVESTOR SHALL CERTIFY TO THE COLORADO OFFICE OF ECONOMIC
36 DEVELOPMENT THE AMOUNT OF THE CREDIT ALLOCATED TO EACH
37 PARTNER, SHAREHOLDER, MEMBER, OR OTHER CONSTITUENT QUALIFIED
38 INVESTOR, AND THE OFFICE SHALL ISSUE CREDIT CERTIFICATES IN THE
39 APPROPRIATE AMOUNTS TO EACH PARTNER, SHAREHOLDER, MEMBER, OR
40 OTHER CONSTITUENT QUALIFIED INVESTOR. EACH PARTNER,
41 SHAREHOLDER, MEMBER, OR OTHER CONSTITUENT QUALIFIED INVESTOR

- 1 SHALL BE ALLOWED TO CLAIM SUCH AMOUNT SUBJECT TO ANY
- 2 RESTRICTIONS SET FORTH IN THIS SECTION AND SECTION 24-48.5-112."
- 3 Renumber succeeding section accordingly.

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