

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 22-0506.01 Jessica Herrera x4218

HOUSE BILL 22-1051

HOUSE SPONSORSHIP

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A BILL FOR AN ACT

101 **CONCERNING MODIFICATION OF THE COLORADO AFFORDABLE**
102 **HOUSING TAX CREDIT, AND, IN CONNECTION THEREWITH,**
103 **EXTENDING THE TIME DURING WHICH THE CREDIT MAY BE**
104 **CLAIMED.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The Colorado housing and finance authority (CHFA), under the Colorado affordable tax credit program, may allocate income tax credits in an annual aggregate amount of up to \$10 million for the years

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 3rd Reading
May 2, 2022

HOUSE
Amended 2nd Reading
April 29, 2022

beginning on January 1, 2020, and ending on December 31, 2024. The bill extends this period to December 31, 2034, and increases the annual aggregate cap for the years beginning on January 1, 2023, and ending on December 31, 2034, to \$15 million.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-2102, **amend**
3 ~~(2)(d), (7) introductory portion, and (7)(a.5); and add~~ (9) as follows:

4 **39-22-2102. Credit against tax - affordable housing**
5 **developments - legislative declaration.** (2) The authority may allocate
6 a credit to an owner of a qualified development by issuing to the owner
7 an allocation certificate. The authority may determine the time at which
8 such allocation certificate is issued. The credit shall be in an amount
9 determined by the authority, subject to the following guidelines:

10 (d) The aggregate sum of credits allocated annually shall not
11 exceed the limits set forth in subsection (7) of this section, except for
12 ~~credits allocated in 2015 and 2016 for qualified developments that are~~
13 ~~located in a county that is designated by the qualified allocation plan as~~
14 ~~having been impacted by a natural disaster~~ CREDITS ALLOCATED FOR
15 QUALIFIED DEVELOPMENTS THAT ARE LOCATED IN A COUNTY THAT IS
16 DESIGNATED BY THE QUALIFIED ALLOCATION PLAN HAVING BEEN
17 IMPACTED BY A FEDERALLY DECLARED DISASTER AND SOLELY FOR THE
18 PURPOSES OF LEVERAGING STATE AND FEDERALLY NATURAL DISASTER
19 FUNDS APPROPRIATED FOR SUCH RECOVERY EFFORTS.

20 (7) During each calendar year of the period beginning January 1,
21 2015, and ending ~~December 31, 2024~~ DECEMBER 31, 2031, the authority
22 may allocate a credit, the full amount of which may be claimed against
23 the taxes imposed by this article 22 for each taxable year of the six-year

1 credit period. The aggregate amount of all credits allocated by the
2 authority in each calendar year of the period beginning January 1, 2015,
3 and ending ~~December 31, 2024~~ DECEMBER 31, 2031, shall not exceed the
4 amount of:

5 (a.5) Ten million dollars for credits allocated annually beginning
6 on January 1, 2020, and ending on ~~December 31, 2024~~ DECEMBER 31,
7 2031, pursuant to subsection (1) of this section and section 39-22-2105
8 combined;

9
10 (9) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH
11 REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE OR
12 EXTENDS AN EXPIRING TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE
13 PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE
14 DECLARATION, THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES
15 THAT:

16 (a) THE GENERAL LEGISLATIVE PURPOSES OF THE INCOME TAX
17 CREDIT ALLOWED BY THIS SECTION ARE:

18 (I) TO INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS;
19 AND

20 (II) TO PROVIDE TAX RELIEF FOR CERTAIN BUSINESSES OR
21 INDIVIDUALS;

22 (b) THE SPECIFIC LEGISLATIVE PURPOSE OF THE INCOME TAX
23 CREDIT ALLOWED BY THIS SECTION IS TO ADDRESS THE SHORTAGE OF
24 AFFORDABLE HOUSING IN THE STATE AND INCREASE ACCESS TO
25 AFFORDABLE HOUSING BY ENCOURAGING DEVELOPERS TO BUILD UNITS
26 SPECIFICALLY RESTRICTED FOR RESIDENTS WITH INCOMES BELOW THE
27 AREA MEDIAN INCOME AND ALSO TO ENCOURAGE PRIVATE SECTOR

1 INVESTMENT INTO THE DEVELOPMENT AND PRESERVATION OF
2 AFFORDABLE HOUSING; AND

3 (c) IN ORDER TO ALLOW THE GENERAL ASSEMBLY AND THE STATE
4 AUDITOR TO MEASURE THE EFFECTIVENESS OF ACHIEVING THE PURPOSES
5 SPECIFIED IN SUBSECTIONS (9)(a) AND (9)(b) OF THIS SECTION, THE
6 COLORADO HOUSING AND FINANCE AUTHORITY IS REQUIRED TO PROVIDE
7 THE ANNUAL REPORT DETAILED IN SECTION 39-22-2108 TO THE GENERAL
8 ASSEMBLY AND THE COLORADO STATE AUDITOR.

9 **SECTION 2. Safety clause.** The general assembly hereby finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, or safety.