

HOUSE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

March 9, 2026  
Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB26-1223 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend page 5, line 16, strike "House Bill 26-\_\_\_\_;" and substitute  
2 "House Bill 26-1223;".

3 Page 7, after line 13 insert:

4 "(f) "JOINT FILER ADJUSTED BASE INCOME" MEANS, FOR INCOME  
5 TAX YEARS COMMENCING BEFORE JANUARY 1, 2034, AN AMOUNT OF  
6 ADJUSTED GROSS INCOME EQUAL TO THE AMOUNT OF ADJUSTED GROSS  
7 INCOME DETERMINED BY THE DEPARTMENT PURSUANT TO SECTION  
8 39-22-130 (7) TO BE NECESSARY FOR TWO RESIDENT INDIVIDUALS WHO  
9 FILE A JOINT RETURN TO QUALIFY FOR THE FAMILY AFFORDABILITY TAX  
10 CREDIT PURSUANT TO SECTION 39-22-130 FOR THE INCOME TAX YEAR  
11 COMMENCING ON JANUARY 1, 2026.

12 (g) "SINGLE FILER ADJUSTED BASE INCOME" MEANS, FOR INCOME  
13 TAX YEARS COMMENCING BEFORE JANUARY 1, 2034, AN AMOUNT OF  
14 ADJUSTED GROSS INCOME EQUAL TO THE AMOUNT OF ADJUSTED GROSS  
15 INCOME DETERMINED BY THE DEPARTMENT PURSUANT TO SECTION  
16 39-22-130 (7) TO BE NECESSARY FOR A SINGLE RESIDENT INDIVIDUAL WHO  
17 FILES A SINGLE RETURN TO QUALIFY FOR THE FAMILY AFFORDABILITY TAX  
18 CREDIT PURSUANT TO SECTION 39-22-130 FOR THE INCOME TAX YEAR  
19 COMMENCING ON JANUARY 1, 2026."

20 Page 7, lines 15 and 16, strike "AND, FOR INCOME TAX YEARS  
21 COMMENCING ON AND AFTER JANUARY 1, 2027, BUT BEFORE JANUARY 1,  
22 2034," and substitute "AND".

23 Page 8, lines 4 and 5, strike "AND, FOR INCOME TAX YEARS COMMENCING  
24 ON AND AFTER JANUARY 1, 2027, BUT BEFORE JANUARY 1, 2034," and  
25 substitute "AND".

1 Page 8, line 27, strike "FIFTEENTHOUSANDDOLLARS;" and substitute "THE  
2 SINGLE FILER ADJUSTED BASE INCOME;".

3 Page 9, line 5, strike "TWENTY-FIVE THOUSAND DOLLARS." and substitute  
4 "THE JOINT FILER ADJUSTED BASE INCOME.".

5 Page 9, lines 7 and 8, strike "FEDERAL ADJUSTED GROSS INCOME AMOUNTS  
6 SET FORTH IN THIS SUBSECTION (4)" and substitute "JOINT FILER ADJUSTED  
7 BASED INCOME AND SINGLE FILER ADJUSTED BASE INCOME".

8 Page 9, line 20, after "OF" insert "STATE".

9 Page 9, line 21, strike "HOUSE BILL 26-\_\_\_\_," and substitute "HOUSE  
10 BILL 26-1223,".

11 Page 14, after line 5 insert:

12 **SECTION 5.** In Colorado Revised Statutes, 29-2-105, **add** (11)  
13 as follows:

14 **29-2-105. Contents of sales tax ordinances and proposals.**

15 (11) NOTWITHSTANDING ANY PROVISION OF LAW TO THE  
16 CONTRARY, THE SALE AND USE OF COMPUTER SOFTWARE, AS THAT TERM  
17 IS DEFINED IN 39-26-102 (15)(c)(II)(B), IS NOT SUBJECT TO TAXATION BY  
18 A COUNTY OR MUNICIPALITY PURSUANT TO PARTS 1 AND 2 OF ARTICLE 26  
19 OF TITLE 39, UNLESS THE GOVERNING BODY OF THE COUNTY OR  
20 MUNICIPALITY BY RESOLUTION OR ORDINANCE APPROVES A PROPOSAL FOR  
21 THE TAXATION OF SUCH COMPUTER SOFTWARE AND THE PROPOSAL IS  
22 SUBMITTED TO THE REGISTERED ELECTORS OF THE COUNTY OR  
23 MUNICIPALITY IN A MANNER THAT CONFORMS SO FAR AS PRACTICABLE TO  
24 THE GENERAL ELECTION LAWS OF THE STATE AND WITH THE PROVISIONS  
25 OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

26 **SECTION 6.** In Colorado Revised Statutes, 32-9-119, **add** (2)(d)  
27 as follows:

28 **32-9-119. Additional powers of district.**

29 (2) (d) NOTWITHSTANDING ANY PROVISION OF LAW TO THE  
30 CONTRARY, THE SALE AND USE OF COMPUTER SOFTWARE, AS THAT TERM  
31 IS DEFINED IN 39-26-102 (15)(c)(II)(B), IS NOT SUBJECT TO TAXATION BY  
32 THE DISTRICT PURSUANT TO PARTS 1 AND 2 OF ARTICLE 26 OF TITLE 39,  
33 UNLESS THE BOARD BY RESOLUTION OR ORDINANCE APPROVES A  
34 PROPOSAL FOR THE TAXATION OF SUCH COMPUTER SOFTWARE AND THE  
35 PROPOSAL IS SUBMITTED TO THE REGISTERED ELECTORS OF THE DISTRICT  
36 IN A MANNER THAT CONFORMS SO FAR AS PRACTICABLE TO THE GENERAL

1 ELECTION LAWS OF THE STATE AND WITH THE PROVISIONS OF SECTION 20  
2 OF ARTICLE X OF THE STATE CONSTITUTION.

3 **SECTION 7.** In Colorado Revised Statutes, 32-13-107, **amend**  
4 (1)(a) as follows:

5 **32-13-107. Sales and use tax imposed - collection -**  
6 **administration of tax - use - definitions.**

7 (1) (a) (I) Except as otherwise provided in ~~paragraph (b) of this~~  
8 ~~subsection (1)~~ SUBSECTION (1)(b) OF THIS SECTION, upon the approval of  
9 the registered electors pursuant to the provisions of section 32-13-105, the  
10 board has the power to levy such uniform sales and use taxes throughout  
11 the district created in section 32-13-104 upon every transaction or other  
12 incident with respect to which a sales and use tax is levied by the state,  
13 pursuant to the provisions of article 26 of title 39; ~~C.R.S.~~; except that  
14 beginning July 1, 2016, such sales and use tax shall not be levied or  
15 collected on the sale or use of aviation fuel.

16 (II) NOTWITHSTANDING ANY PROVISION OF LAW TO THE  
17 CONTRARY, THE SALE AND USE OF COMPUTER SOFTWARE, AS THAT TERM  
18 IS DEFINED IN 39-26-102 (15)(c)(II)(B), IS NOT SUBJECT TO TAXATION BY  
19 THE DISTRICT PURSUANT TO PARTS 1 AND 2 OF ARTICLE 26 OF TITLE 39,  
20 UNLESS THE BOARD BY RESOLUTION OR ORDINANCE APPROVES A  
21 PROPOSAL FOR THE TAXATION OF SUCH COMPUTER SOFTWARE AND THE  
22 PROPOSAL IS SUBMITTED TO THE REGISTERED ELECTORS OF THE DISTRICT  
23 IN A MANNER THAT CONFORMS SO FAR AS PRACTICABLE TO THE GENERAL  
24 ELECTION LAWS OF THE STATE AND WITH THE PROVISIONS OF SECTION 20  
25 OF ARTICLE X OF THE STATE CONSTITUTION."

26 Renumber succeeding sections accordingly.

27 Strike "House Bill 26-\_\_\_\_\_" and substitute "House Bill 26-1223" on:  
28 **Page 5**, lines 1, 13, 18, and 24.

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