

HOUSE COMMITTEE OF REFERENCE REPORT

November 17, 2023

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Chair of Committee

Date

Committee on Finance.

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

HB23B-1002 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 2, strike line 3 and substitute "(2)(c)(I),  
2 (2.5)(d)(I), and (2.7)(b)(I); and **add** (2)(c.5), (2.5)(d.5), and (2.7)(b.5) as  
3 follows:".

4 Page 2, line 17, strike "SEVENTY-FIVE" and substitute "FIFTY".

5 Page 2, line 19, strike "YEAR." and substitute "YEAR; EXCEPT THAT, IF THE  
6 TOTAL AMOUNT OF REMAINING EXCESS STATE REVENUES FOR THE 2022-23  
7 STATE FISCAL YEAR THAT ARE REQUIRED TO BE REFUNDED AFTER EXCESS  
8 STATE REVENUES ARE REFUNDED PURSUANT TO SECTION 39-3-209 AND  
9 ANY OTHER REFUND MECHANISM PROVIDED FOR IN LAW OTHER THAN THE  
10 REFUND MECHANISM PROVIDED FOR IN SECTION 39-22-2004 IS LESS THAN  
11 ONE HUNDRED EIGHTY-FIVE MILLION DOLLARS, A RESIDENT INDIVIDUAL  
12 WHO CLAIMS AN EARNED INCOME TAX CREDIT ON THE INDIVIDUAL'S  
13 FEDERAL TAX RETURN IS ALLOWED AN EARNED INCOME TAX CREDIT  
14 AGAINST THE TAXES DUE UNDER THIS ARTICLE 22 THAT IS EQUAL TO  
15 TWENTY-FIVE PERCENT OF THE FEDERAL CREDIT THAT THE RESIDENT  
16 INDIVIDUAL CLAIMED ON THE RESIDENT INDIVIDUAL'S FEDERAL TAX  
17 RETURN FOR THE SAME TAX YEAR.".

18 Page 3, line 10, strike "SEVENTY-FIVE" and substitute "FIFTY".

19 Page 3, line 14, strike "EMPLOYMENT." and substitute "EMPLOYMENT;  
20 EXCEPT THAT, IF THE TOTAL AMOUNT OF REMAINING EXCESS STATE  
21 REVENUES FOR THE 2022-23 STATE FISCAL YEAR THAT ARE REQUIRED TO  
22 BE REFUNDED AFTER EXCESS STATE REVENUES ARE REFUNDED PURSUANT  
23 TO SECTION 39-3-209 AND ANY OTHER REFUND MECHANISM PROVIDED FOR  
24 IN LAW OTHER THAN THE REFUND MECHANISM PROVIDED FOR IN SECTION

1 39-22-2004 IS LESS THAN ONE HUNDRED EIGHTY-FIVE MILLION DOLLARS,  
2 A RESIDENT INDIVIDUAL IS ALLOWED AN EARNED INCOME TAX CREDIT  
3 AGAINST THE TAXES DUE UNDER THIS ARTICLE 22 THAT IS EQUAL TO  
4 TWENTY-FIVE PERCENT OF THE FEDERAL CREDIT THAT THE RESIDENT  
5 INDIVIDUAL WOULD HAVE BEEN ALLOWED, BUT FOR THE FACT THAT THE  
6 RESIDENT INDIVIDUAL, THE RESIDENT INDIVIDUAL'S SPOUSE, OR ONE OR  
7 MORE OF THE RESIDENT INDIVIDUAL'S DEPENDENTS DO NOT HAVE A SOCIAL  
8 SECURITY NUMBER THAT IS VALID FOR EMPLOYMENT."

9 Page 3, after line 16 insert:

10 "(2.7) (b) (I) ~~For income tax years commencing on or after~~  
11 ~~January 1, 2023, but before January 1, 2024, and~~ For the income tax year  
12 commencing on January 1, 2025, a resident individual is allowed an  
13 earned income tax credit against the taxes due under this article 22 that  
14 is equal to twenty-five percent of the federal credit that the resident  
15 individual would have been allowed under section 32 (n)(1) of the  
16 internal revenue code, notwithstanding the date limitation set forth in  
17 section 32 (n) of the internal revenue code as specified in section 9621 (a)  
18 of the "American Rescue Plan Act of 2021", Pub.L. 117-2.

19 (b.5) (I) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY  
20 1, 2023, A RESIDENT INDIVIDUAL IS ALLOWED AN EARNED INCOME TAX  
21 CREDIT AGAINST THE TAXES DUE UNDER THIS ARTICLE 22 THAT IS EQUAL  
22 TO FIFTY PERCENT OF THE FEDERAL CREDIT THAT THE RESIDENT  
23 INDIVIDUAL WOULD HAVE BEEN ALLOWED UNDER SECTION 32 (n)(1) OF  
24 THE INTERNAL REVENUE CODE, NOTWITHSTANDING THE DATE LIMITATION  
25 SET FORTH IN SECTION 32 (n) OF THE INTERNAL REVENUE CODE AS  
26 SPECIFIED IN SECTION 9621 (a) OF THE "AMERICAN RESCUE PLAN ACT OF  
27 2021", PUB.L. 117-2.

28 (II) THIS SUBSECTION (2.7)(b.5) IS REPEALED, EFFECTIVE  
29 DECEMBER 31, 2034."

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