

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 17-0167.01 Ed DeCecco x4216

HOUSE BILL 17-1002

HOUSE SPONSORSHIP

Pettersen and Exum,

SENATE SPONSORSHIP

Kefalas,

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE EXTENSION OF THE INCOME TAX CREDIT FOR CHILD
102 CARE EXPENSES PAID BY A RESIDENT INDIVIDUAL WITH A
103 FEDERAL ADJUSTED GROSS INCOME OF TWENTY-FIVE THOUSAND
104 DOLLARS OR LESS.

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/>.)

For the 3 income tax years prior to January 1, 2017, a residential individual who has a federal adjusted gross income of \$25,000 or less may claim a refundable state income tax credit for child care expenses.

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

The tax credit is equal to 25% of eligible child care expenses that the individual incurred during the taxable year, up to a maximum amount of \$500 for a single dependent or \$1,000 for 2 or more dependents. The bill extends the tax credit for 3 more income tax years.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-119.5, **amend**
3 (1)(b), (3)(a) introductory portion, and (7) as follows:

4 **39-22-119.5. Child care expenses tax credit - legislative**
5 **declaration - definitions - repeal.** (1) (b) Now, therefore, the general
6 assembly declares that the intended purpose of the tax expenditure FOR
7 CREATING AND EXTENDING THE TERM OF THE TAX CREDIT in this section
8 is to fix the Colorado child care expenses income tax credit so that all
9 low-income working families are able to claim the credit regardless of the
10 amount of their federal child care expenses credit.

11 (3) (a) For income tax years beginning on and after January 1,
12 2014, but prior to ~~January 1, 2017~~ JANUARY 1, 2020, a resident individual
13 is allowed a credit against the taxes due under this article for child care
14 expenses that the individual incurred during the taxable year if:

15 (7) This section is repealed, effective ~~January 1, 2018~~ JANUARY
16 1, 2021.

17 **SECTION 2. Act subject to petition - effective date.** This act
18 takes effect at 12:01 a.m. on the day following the expiration of the
19 ninety-day period after final adjournment of the general assembly (August
20 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
21 referendum petition is filed pursuant to section 1 (3) of article V of the
22 state constitution against this act or an item, section, or part of this act
23 within such period, then the act, item, section, or part will not take effect

1 unless approved by the people at the general election to be held in
2 November 2018 and, in such case, will take effect on the date of the
3 official declaration of the vote thereon by the governor.