A BILL FOR AN ACT

CONCERNING AN INCOME TAX CREDIT FOR RETROFITTING A RESIDENCE TO INCREASE THE RESIDENCE'S VISITABILITY.

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 bill provides an income tax credit to an individual who retrofits or hires someone to retrofit the individual's residence. The bill specifies that the retrofit must:

! Be necessary to ensure the health, welfare, and safety of a qualified individual;

! Increase the residence's visitability;
Enable greater accessibility and independence in the residence for a qualified individual;
Be required due to illness, impairment, or disability of a qualified individual; and
Allow a qualified individual to age in place.

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

SECTION 1. In Colorado Revised Statutes, add 39-22-539 as follows:

39-22-539. Credit for retrofitting a residence to increase a residence's visitability - legislative declaration - definitions - repeal.

(1) The General Assembly hereby finds and declares that the intended purpose of the tax credit created in this section is to make retrofitting a residence for health, welfare, and safety reasons more affordable.

(2) As used in this section:

(a) "Dependent" has the same meaning as in section 152 (a) of the Internal Revenue Code.

(b) "Division of Housing" means the Division of Housing in the Department of Local Affairs created in section 24-32-704.

(c) "Qualified individual" means an individual with a family income at or below four hundred percent of the Federal poverty level, an individual's spouse, or a dependent of the individual.

(d) "Retrofit" means changes made to a residence that:

(I) Be necessary to ensure the health, welfare, and safety of a qualified individual;

(II) Increase the residence's visitability;
III) Enable greater accessibility and independence in the
residence for a qualified individual;

(IV) Be required due to a qualified individual’s illness,
impairment, or disability; and

(V) Allow a qualified individual to age in place.

(e) "Visitability" means a measure of a residence’s ease of
access for persons with disabilities.

(3) (a) (I) Except as provided in subsection (3)(b)(III) of this
section, for income tax years commencing on or after January
1, 2019, but prior to January 1, 2024, an individual who retrofits
or hires someone to retrofit the individual’s residence and who
meets any additional requirements established by the division of
housing is allowed a credit against the income taxes imposed by
this article 22 in an amount equal to the cost of the retrofit or
five thousand dollars, whichever is less.

(II) The division of housing shall consult with
stakeholders in establishing any additional requirements for
the income tax credit as required in subsection (3)(a)(I) of this
section.

(b) (I) The division of housing is responsible for issuing
credit certificates to qualified individuals. The credit
certificate must identify the taxpayer and certify that the
individual meets the requirements set forth in this section.

(II) To claim the credit under this section, the individual
must include the credit certificate with the income tax return
filed with the department of revenue.

(III) The division of housing shall track all the credit
CERTIFICATES ISSUED UNDER THIS SECTION IN EACH INCOME TAX YEAR
AND, WHEN THE TOTAL AMOUNT OF CREDIT CERTIFICATES ISSUED EQUALS
ONE MILLION DOLLARS PER INCOME TAX YEAR, SHALL CEASE ISSUING
CREDIT CERTIFICATES IN THAT INCOME TAX YEAR. UNTIL THE ONE MILLION
DOLLAR PER INCOME TAX YEAR CAP IS REACHED, THE CREDIT
CERTIFICATES SHALL BE ISSUED IN THE ORDER IN WHICH THEY ARE
REQUESTED.

(4) IF THE AMOUNT OF THE CREDIT ALLOWED IN THIS SECTION
EXCEEDS THE AMOUNT OF INCOME TAXES OTHERWISE DUE ON THE
INDIVIDUAL'S INCOME IN THE INCOME TAX YEAR FOR WHICH THE CREDIT
IS BEING CLAIMED, THE AMOUNT OF THE CREDIT NOT USED AS AN OFFSET
AGAINST INCOME TAXES IN THE CURRENT INCOME TAX YEAR MAY BE
CARRIED FORWARD AND USED AS A CREDIT AGAINST SUBSEQUENT YEARS'
INCOME TAX LIABILITY FOR A PERIOD NOT TO EXCEED FIVE YEARS AND
MUST BE APPLIED FIRST TO THE EARLIEST INCOME TAX YEARS POSSIBLE.
ANY CREDIT REMAINING AFTER THE PERIOD MAY NOT BE REFUNDED OR
CREDITED TO THE INDIVIDUAL.

(5) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2028.

SECTION 2. Act subject to petition - effective date. This act
takes effect at 12:01 a.m. on the day following the expiration of the
ninety-day period after final adjournment of the general assembly (August
8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
referendum petition is filed pursuant to section 1 (3) of article V of the
state constitution against this act or an item, section, or part of this act
within such period, then the act, item, section, or part will not take effect
unless approved by the people at the general election to be held in
November 2018 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.