

CHAPTER 228

TAXATION

SENATE BILL 18-007

BY SENATOR(S) Tate and Guzman, Court, Fenberg, Fields, Jones, Merrifield, Todd, Zenzinger, Aguilar, Donovan, Garcia, Kagan, Kefalas, Kerr, Martinez Humenik, Moreno, Williams A.;
 also REPRESENTATIVE(S) Duran and Becker J., Becker K., Benavidez, Bridges, Buckner, Catlin, Coleman, Danielson, Esgar, Exum, Garnett, Hamner, Hansen, Herod, Hooton, Jackson, Kennedy, Lee, Lontine, McLachlan, Melton, Michaelson Jenet, Pettersen, Roberts, Rosenthal, Singer, Valdez, Weissman, Young.

AN ACT

CONCERNING THE COLORADO AFFORDABLE HOUSING TAX CREDIT, AND, IN CONNECTION THEREWITH, RENAMING THE LOW-INCOME HOUSING TAX CREDIT THE COLORADO AFFORDABLE HOUSING TAX CREDIT AND EXTENDING THE PERIOD DURING WHICH THE COLORADO HOUSING AND FINANCE AUTHORITY MAY ALLOCATE AFFORDABLE HOUSING TAX CREDITS.

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

SECTION 1. In Colorado Revised Statutes, 39-22-2101, **amend** (4) as follows:

39-22-2101. Definitions. As used in this part 21, unless the context otherwise requires:

(4) "Credit" means the Colorado ~~low-income~~ AFFORDABLE housing tax credit allowed pursuant to section 39-22-2102.

SECTION 2. In Colorado Revised Statutes, 39-22-2102, **amend** (3), (4), and (7) introductory portion as follows:

39-22-2102. Credit against tax - affordable housing developments. (3) If an owner of a qualified development receiving an allocation of a credit is a partnership, limited liability company, S corporation, or similar pass-through entity, the owner may allocate the credit among its partners, shareholders, members, or other ~~constituent~~ QUALIFIED taxpayers in any manner agreed to by such persons REGARDLESS OF WHETHER ANY SUCH PERSONS ARE DEEMED A PARTNER FOR FEDERAL INCOME TAX PURPOSES. The owner shall certify to the department the amount of credit allocated to each ~~constituent~~ PARTNER, SHAREHOLDER, MEMBER,

Capital letters or bold & italic numbers indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

OR OTHER QUALIFIED taxpayer. Each constituent PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED taxpayer shall be ADMITTED AS A PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER OF THE OWNER PRIOR TO THE FILING OF A TAX CREDIT CLAIMING THE CREDIT IS allowed to claim such amount subject to any restrictions set forth in this part 21.

(4) No credit shall be allocated pursuant to this part 21 unless the qualified development is the subject of a recorded restrictive covenant requiring the development to be maintained and operated as a qualified development, and is in accordance with the accessibility and adaptability requirements of the federal tax credits and Title VIII of the "Civil Rights Act of 1968", as amended by the "Fair Housing Amendments Act of 1988", for a period of fifteen taxable years, or such longer period as may be agreed to between the authority and the owner, beginning with the first taxable year of the credit period UNLESS CORRECTED WITHIN THE TIME PROVIDED BY SEC. 42(h)(6)(J) OF THE INTERNAL REVENUE CODE AS APPLICABLE TO THE COVENANT DESCRIBED IN THIS SUBSECTION (4).

(7) During each calendar year of the ~~five-year~~ period beginning January 1, 2015, and ending ~~December 31, 2019~~ DECEMBER 31, 2024, the authority may allocate a credit, the full amount of which may be claimed against the taxes imposed by this ~~article~~ ARTICLE 22 for each taxable year of the six-year credit period. The aggregate amount of all credits allocated by the authority in each calendar year of the ~~five-year~~ period beginning January 1, 2015, and ending ~~December 31, 2019~~ DECEMBER 31, 2024, shall not exceed the amount of:

SECTION 3. In Colorado Revised Statutes, 39-22-2108, **amend** (1) introductory portion as follows:

39-22-2108. Report to the general assembly. (1) For each allocation year, the authority shall, by December 31 of that year, provide a written report to the general assembly and shall further make the report available to the public. With respect to allocated state ~~low-income~~ AFFORDABLE housing tax credits under section 39-22-2102, the report must:

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 22, 2018