HOUSE BILL 19-1159

A BILL FOR AN ACT

CONCERNING MODIFICATIONS TO THE INCOME TAX CREDITS FOR INNOVATIVE MOTOR VEHICLES.

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 modifies the amounts of and extends the number of available years of the existing income tax credits for the purchase or lease of an electric motor vehicle, a plug-in hybrid electric motor vehicle, and an original equipment manufacturer electric truck and plug-in hybrid electric truck.
Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 39-22-516.7, amend (1)(k)(III), (2)(a), (4)(a)(III), (4)(a)(IV), and (10); and add (9.5) as follows:

39-22-516.7. Tax credit for innovative motor vehicles - definitions - repeal. (1) As used in this section, unless the context otherwise requires:

(k) "Electric motor vehicle" or "plug-in hybrid electric motor vehicle" means a motor vehicle that:

(III) Is propelled to a significant extent by an electric motor that draws electricity from a battery OR FUEL CELL that:

(A) Has AN EQUIVALENT battery capacity of not less than four kilowatt hours; and

(B) Is capable of being recharged from an external source of electricity OR HYDROGEN.

(2) (a) With respect to the tax years commencing on or after January 1, 2013, but prior to January 1, 2022 JANUARY 1, 2026, there is allowed to any person a credit against the tax imposed by this article ARTICLE 22, not to exceed the amount specified in subsection (4) of this section, for the purchase or lease of a motor vehicle defined as category 1.

(4) The amount of the credit allowed pursuant to this section is calculated as follows:

(a) **Category 1.** (III) With respect to the tax years commencing on or after January 1, 2020, but prior to January 1, 2023, four thousand dollars for a purchase or two thousand dollars for a
lease;

(IV) With respect to the tax years commencing on or after January 1, 2021, but prior to January 1, 2022, January 1, 2023, but prior to January 1, 2026, two thousand five hundred dollars for a purchase or one thousand five hundred dollars for a lease.

(9.5) With respect to the tax years commencing on or after January 1, 2019, a transportation network company, as defined in section 40-10.1-602 (3), or a contracted third party vehicle supplier, that enters into long-term leases for category I motor vehicles in order to offer short-term rentals of the motor vehicles to its drivers shall be treated as having purchased each category I motor vehicle for purposes of the credit calculation specified in subsection (4)(a) of this section.

(10) This section is repealed, effective December 31, 2026.

SECTION 2. In Colorado Revised Statutes, 39-22-516.8, amend (8.3), (8.5), and (18) as follows:

39-22-516.8. Tax credit for innovative trucks - definitions - repeal. (8.3) Category 7 purchase. (a) Except as provided in subsection (14) of this section, with respect to the income tax years commencing on or after January 1, 2017, but before January 1, 2022, January 1, 2026, there is allowed to any person a credit against the tax imposed by this article in an amount set forth in paragraph (b) of this subsection (8.3) for each purchase of a category 7 truck during the tax year.

(b)
(8.5) **Category 7 lease.** (a) Except as provided in subsection (14) of this section, with respect to the income tax years commencing on or after January 1, 2017, but before January 1, 2022 January 1, 2026, there is allowed to any person a credit against the tax imposed by this article ARTICLE 22 in an amount set forth in paragraph (b) of this subsection (8.5) SUBSECTION (8.5)(b) OF THIS SECTION for each lease of a category 7 truck during the tax year.

(b)

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<th>1/1/2017</th>
<th>1/1/2020 but before</th>
<th>1/1/2023 but before</th>
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<tr>
<td>Light duty passenger motor vehicle over 8,500 GVWR</td>
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<td>$4,000</td>
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<tr>
<td>Heavy duty truck</td>
<td>$10,000</td>
<td>$8,000</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

(18) This section is repealed, effective December 31, 2026.

DECEMBER 31, 2030.

SECTION 3. 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 2, 2019, if adjournment sine die is on May 3, 2019); 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 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.