A BILL FOR AN ACT

CONCERNING THE EXTENSION OF A PROGRAM THAT GRANTS TEMPORARY AUTHORITY TO THE COLORADO ECONOMIC DEVELOPMENT COMMISSION TO ALLOW CERTAIN BUSINESSES TO TREAT SPECIFIC EXISTING INCOME TAX CREDITS DIFFERENTLY.

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.)

Current law allows the Colorado economic development commission to allow, subject to an annual maximum program amount, certain businesses that make a $100 million strategic capital investment...
in the state, and subject to the requirements of the specified income tax credits, to treat any of the following income tax credits allowed to the business as either carry forwardable for a 5-year period or transferable:

- Colorado job growth incentive tax credit;
- Enterprise zone income tax credit for investment in certain property;
- Income tax credit for new enterprise zone business employees; and
- Enterprise zone income tax credit for expenditures for research and experimental activities.

This bill extends this program for another 3 years.

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

SECTION 1. In Colorado Revised Statutes, 24-46-104.3, amend
(1)(h) and (2)(a)(I) introductory portion as follows:

24-46-104.3. Transferable income tax credits for certain businesses located in the state - definitions. (1) As used in this section, unless the context otherwise requires:

(h) " Twelve-month interval" means each twelve-month interval from July 1, 2017, through June 30, 2020, during which the commission may issue precertifications.

(2) (a)(I) Subject to the limitations specified in subsection (2)(b) of this section, commencing July 1, 2017, through June 30, 2023, if a business intends to make a strategic capital investment in the state, the commission may issue a written precertification to the business to grant the business the authority to treat its allowed income tax credits during the business' period differently as specified in this section. The strategic capital investment must be initiated after the issuance of the precertification and completed before the end of the business' period; except that, if a business makes a strategic capital investment that could result in allowed income tax credits with a total value greater than the

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precertification limitations set forth in subsection (2)(b) of this section, the commission may issue a second or third written precertification to the same business in the following twelve-month intervals for the same strategic capital investment, even if the strategic capital investment has already been initiated or completed. If, after precertification and during the business' period, the business meets the requirements of one or more of the income tax credits as set forth in the statutory sections pertaining to each credit, then once the income tax credits are allowed, the business may elect, by filing a written election as specified in subsection (2)(a)(III) of this section, to:

**SECTION 2. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.