

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 23-0443.01 Zach Blaes x4348

HOUSE BILL 23-1006

HOUSE SPONSORSHIP

Young and Daugherty,

SENATE SPONSORSHIP

Exum,

House Committees
Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE NOTICE REQUIREMENTS OF EMPLOYERS REGARDING**
102 **INCOME TAX CREDITS, AND, IN CONNECTION THEREWITH,**
103 **REQUIRING EMPLOYERS TO NOTIFY EMPLOYEES OF THE**
104 **AVAILABILITY OF THE FEDERAL EARNED INCOME TAX CREDIT,**
105 **THE STATE EARNED INCOME TAX CREDIT, THE FEDERAL CHILD**
106 **TAX CREDIT, AND THE STATE CHILD TAX CREDIT.**

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 requires an employer to provide its employees with an

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

HOUSE
Amended 2nd Reading
February 1, 2023

annual statement showing the total compensation paid and the income tax withheld for the preceding calendar year. The bill requires an employer to also provide, within a week before or after providing the statement and in the same manner as the statement is provided, written notice of the availability of the federal and state earned income tax credits and the federal and state child tax credits. The written notice must be in English and any other language the employer uses to communicate with employees and must include any additional content that the department of revenue prescribes.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-604, **add**
3 (6)(c) as follows:

4 **39-22-604. Withholding tax - requirement to withhold - tax**
5 **lien - exemption from lien - annual statement - notice - definitions.**

6 (6) (c) FOR THE INCOME TAX YEARS COMMENCING ON AND AFTER
7 JANUARY 1, 2023, AN EMPLOYER SHALL PROVIDE, IN ADDITION TO THE
8 ANNUAL STATEMENT ISSUED PURSUANT TO SUBSECTION (6)(a) OF THIS
9 SECTION, WRITTEN NOTICE TO ALL EMPLOYEES OF THE AVAILABILITY OF
10 THE FEDERAL EARNED INCOME TAX CREDIT ALLOWED PURSUANT TO
11 SECTION 32 OF THE INTERNAL REVENUE CODE, THE STATE EARNED INCOME
12 TAX CREDIT ALLOWED PURSUANT TO SECTION 39-22-123.5, THE FEDERAL
13 CHILD TAX CREDIT ALLOWED PURSUANT TO SECTION 24 OF THE INTERNAL
14 REVENUE CODE, AND THE STATE CHILD TAX CREDIT ALLOWED PURSUANT
15 TO SECTION 39-22-129. THE EMPLOYER MUST PROVIDE THE WRITTEN
16 NOTICE AT LEAST ONCE ANNUALLY AND MAY PROVIDE THE WRITTEN
17 NOTICE TO EMPLOYEES ELECTRONICALLY, INCLUDING VIA AN ELECTRONIC
18 MAIL MESSAGE OR A TEXT MESSAGE. THE WRITTEN NOTICE MUST:

19

20 **(I)** BE WRITTEN IN ENGLISH AND IN ANY OTHER LANGUAGE THAT

1 THE EMPLOYER TYPICALLY USES TO COMMUNICATE WITH THE EMPLOYEE
2 TO WHOM THE NOTICE IS SENT; AND

3 (II) INCLUDE ANY CONTENT THAT THE DEPARTMENT PRESCRIBES
4 AS NECESSARY FOR AN EMPLOYER TO MEET THE WRITTEN NOTICE
5 REQUIREMENT PURSUANT TO THIS SUBSECTION (6)(c). IF THE DEPARTMENT
6 DETERMINES THAT ADDITIONAL CONTENT IS NECESSARY, THE
7 DEPARTMENT SHALL PROMULGATE RULES SPECIFYING THE ADDITIONAL
8 CONTENT.

9 **SECTION 2. Act subject to petition - effective date.** This act
10 takes effect at 12:01 a.m. on the day following the expiration of the
11 ninety-day period after final adjournment of the general assembly; except
12 that, if a referendum petition is filed pursuant to section 1 (3) of article V
13 of the state constitution against this act or an item, section, or part of this
14 act within such period, then the act, item, section, or part will not take
15 effect unless approved by the people at the general election to be held in
16 November 2024 and, in such case, will take effect on the date of the
17 official declaration of the vote thereon by the governor.