

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 23-0899.01 Alison Killen x4350

SENATE BILL 23-196

SENATE SPONSORSHIP

Winter F.,

HOUSE SPONSORSHIP

Young,

Senate Committees
Finance

House Committees

A BILL FOR AN ACT

101 CONCERNING AN EXTENSION OF THE INCOME TAX CREDIT FOR
102 RETROFITTING A RESIDENCE TO INCREASE THE RESIDENCE'S
103 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 extends for an additional 5 years the income tax credit for expenses incurred by a qualified individual in retrofitting the individual's residence to increase its accessibility for persons with disabilities. The bill also extends the credit carry-forward period from 5 to 8 years.

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.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-541, **amend**
3 (1), (3)(a)(I), (4), (5) introductory portion, and (6) as follows:

4 **39-22-541. Credit for retrofitting a residence to increase a**
5 **residence's visitability - tax preference performance statement -**
6 **legislative declaration - definitions - repeal.** (1) ~~The general assembly~~
7 ~~hereby finds and declares that the intended purpose of the tax credit~~
8 ~~created in this section is to make retrofitting a residence for health,~~
9 ~~welfare, and safety reasons more affordable.~~ IN ACCORDANCE WITH
10 SECTION 39-21-304 (1), WHICH REQUIRES ANY BILL THAT CREATES A NEW
11 TAX EXPENDITURE OR EXTENDS AN EXPIRING TAX EXPENDITURE TO
12 INCLUDE A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A
13 STATUTORY LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS
14 AND DECLARES THAT:

15 (a) THE GENERAL LEGISLATIVE PURPOSE OF THE TAX CREDIT
16 ALLOWED BY THIS SECTION IS TO PROVIDE TAX RELIEF FOR CERTAIN
17 INDIVIDUALS;

18 (b) THE SPECIFIC LEGISLATIVE PURPOSE OF THE TAX CREDIT
19 ALLOWED BY THIS SECTION IS TO MAKE RETROFITTING A RESIDENCE FOR
20 HEALTH, WELFARE, AND SAFETY REASONS MORE AFFORDABLE; AND

21 (c) THE CREDIT CERTIFICATES REQUIRED FROM THE DIVISION OF
22 HOUSING PURSUANT TO SUBSECTION (3)(b)(I) OF THIS SECTION WILL
23 ALLOW THE GENERAL ASSEMBLY AND THE STATE AUDITOR TO MEASURE
24 THE EFFECTIVENESS OF THE CREDIT IN ACHIEVING ITS PURPOSE BASED ON
25 THE NUMBER AND AMOUNT OF CREDITS THAT ARE CLAIMED.

26 (3) (a) (I) Except as provided in subsection (3)(b)(III) of this

1 section, for income tax years commencing on or after January 1, 2019, but
2 prior to ~~January 1, 2024~~ JANUARY 1, 2029, a qualified individual who
3 retrofits or hires someone to retrofit the qualified individual's residence
4 and who meets any additional requirements established by the division of
5 housing is allowed a credit against the income taxes imposed by this
6 article 22 in an amount equal to the cost of the retrofit or five thousand
7 dollars per residence, whichever is less. Only one credit is allowed per
8 residence; except that if a retrofit is required for the qualified individual
9 and for one or more dependents residing in the qualified individual's
10 residence or a retrofit is required for more than one dependent residing in
11 the qualified individual's residence, then a credit is allowed in an amount
12 equal to the cost of the retrofit or five thousand dollars per individual for
13 whom the retrofit is required, whichever is less.

14 (4) If the amount of the credit allowed in this section exceeds the
15 amount of income taxes otherwise due on the qualified individual's
16 income in the income tax year for which the credit is being claimed, the
17 amount of the credit not used as an offset against income taxes in the
18 current income tax year may be carried forward and used as a credit
19 against subsequent years' income tax liability for a period not to exceed
20 ~~five~~ EIGHT years and must be applied first to the earliest income tax years
21 possible. Any credit remaining after the period may not be refunded or
22 credited to the qualified individual.

23 (5) No later than January 1, 2020, and no later than January 1 of
24 each year thereafter through ~~January 1, 2024~~ JANUARY 1, 2029, the
25 division of housing shall provide the department of revenue with an
26 electronic report of the taxpayers receiving a credit certificate as allowed
27 in this section for the previous calendar year that includes the following

1 information:

2 (6) This section is repealed, effective ~~December 31, 2028~~
3 DECEMBER 31, 2041.

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