

**First Extraordinary Session
Seventy-fourth General Assembly
STATE OF COLORADO**

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 23B-0008.01 Jessica Herrera x4218

HOUSE BILL 23B-1002

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A BILL FOR AN ACT

101 **CONCERNING AN INCREASE IN THE EARNED INCOME TAX CREDIT FOR**
102 **INCOME TAX YEAR 2023, AND, IN CONNECTION THEREWITH,**
103 **MAKING AN APPROPRIATION.**

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>.)

For the 2023 income tax year only, the bill increases the earned income tax credit that a resident individual, including a resident individual who does not have a social security number valid for employment, may claim on the resident individual's state income tax return from 25% to 75% of the federal credit claimed on the resident

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.

SENATE
3rd Reading Unamended
November 19, 2023

SENATE
2nd Reading Unamended
November 18, 2023

HOUSE
3rd Reading Unamended
November 18, 2023

HOUSE
Amended 2nd Reading
November 17, 2023

individual's federal income tax return or the federal credit that the resident individual would have been allowed but for the fact that the resident individual does not have a social security number that is valid for employment.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-123.5, add
3 (2.8) as follows:

4 **39-22-123.5. Earned income tax credit - legislative declaration**

5 **- repeal.** (2.8) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
6 JANUARY 1, 2023, BUT BEFORE JANUARY 1, 2024, ONLY, THE RATE OF
7 CREDIT ALLOWED FOR THE RESIDENT INDIVIDUALS DESCRIBED IN
8 SUBSECTIONS (2), (2.5), AND (2.7), OF THIS SECTION, RESPECTIVELY, IS
9 INCREASED FROM TWENTY-FIVE PERCENT TO FIFTY PERCENT OF THE
10 FEDERAL CREDIT DESCRIBED IN THE RESPECTIVE SUBSECTIONS (2), (2.5),
11 AND (2.7) OF THIS SECTION.

12 (b) THE GENERAL ASSEMBLY FIND AND DECLARES THAT
13 INCREASING THE RATE OF THE CREDIT AS SPECIFIED IN THIS SUBSECTION
14 (2.8)(a) REDUCES THE AMOUNT OF STATE REVENUES, AS DEFINED IN
15 SECTION 24-77-103.6 (6)(c), FOR THE 2023-24 STATE FISCAL YEAR AND IS
16 THEREFORE, AFTER EXCESS STATE REVENUES FOR THE 2022-23 STATE
17 FISCAL YEAR ARE REFUNDED PURSUANT TO SECTIONS 39-3-209, 39-3-210,
18 AND ANY OTHER REFUND MECHANISM PROVIDED FOR IN LAW OTHER THAN
19 THE REFUND MECHANISM PROVIDED FOR IN PART 20 OF ARTICLE 22 OF THIS
20 TITLE, A REASONABLE METHOD OF REFUNDING A PORTION OF ANY
21 REMAINING EXCESS STATE REVENUES FOR THE 2022-23 STATE FISCAL
22 YEAR THAT ARE REQUIRED TO BE REFUNDED IN THE 2023-24 STATE FISCAL
23 YEAR IN ACCORDANCE WITH SECTION 20 (7)(d) OF THE STATE

1 **CONSTITUTION.**

2 **SECTION 2. Appropriation.** (1) For the 2023-24 state fiscal
3 year, \$51,483 is appropriated to the department of revenue. This
4 appropriation is from the general fund. To implement this act, the
5 department may use this appropriation as follows:

6 (a) \$23,175 for tax administration IT system (GenTax) support;

7 (b) \$13,792 for use by taxation services for personal services;

8 (c) \$14,000 for use by the executive director's office for personal
9 services related to administration and support; and

10 (d) \$516 for the purchase of document management services.

11 (2) For the 2023-24 state fiscal year, \$516 is appropriated to the
12 department of personnel. This appropriation is from reappropriated funds
13 received from the department of revenue under subsection (1)(d) of this
14 section. To implement this act, the department of personnel may use this
15 appropriation to provide document management services for the
16 department of revenue.

17 **SECTION 3. Safety clause.** The general assembly finds,
18 determines, and declares that this act is necessary for the immediate
19 preservation of the public peace, health, or safety or for appropriations for
20 the support and maintenance of the departments of the state and state
21 institutions.