

HB26-1246 be amended as follows:

1 Amend printed bill, page 5, after line 7 insert:

2 **"40-3.7-110. Measurement and documentation of labor**
3 **incentive tax credit - flexibility and proportionality - limitations**
4 **construction.**

5 (1) **Measurement and documentation.**

6 (a) COMPLIANCE WITH SECTION 40-3.7-109 MAY BE
7 DEMONSTRATED THROUGH CERTIFIED PAYROLL RECORDS OR EQUIVALENT
8 DOCUMENTATION MAINTAINED IN THE ORDINARY COURSE OF BUSINESS.

9 (b) THE DEPARTMENT OF REVENUE SHALL ADOPT
10 ADMINISTRATIVELY SIMPLE VERIFICATION PROCEDURES CONSISTENT WITH
11 EXISTING TAX ADMINISTRATION PRACTICES.

12 (2) **Flexibility and proportional credit.** A TAXPAYER THAT DOES
13 NOT MEET A SPECIFIC THRESHOLD DESCRIBED IN SECTION 40-3.7-109 (4)
14 MAY QUALIFY FOR A PROPORTIONAL SHARE OF THE LABOR INCENTIVE TAX
15 CREDIT IF THE TAXPAYER DEMONSTRATES SUBSTANTIALLY EQUIVALENT
16 WORKFORCE PARTICIPATION.

17 (3) **Limitations.**

18 (a) A CREDIT CLAIMED PURSUANT TO THIS SECTION OR SECTION
19 40-3.7-109 MUST NOT EXCEED TWENTY MILLION DOLLARS PER PROJECT.

20 (b) THE TOTAL AMOUNT OF CREDITS THAT MAY BE CLAIMED
21 STATEWIDE IN ANY CALENDAR YEAR MUST NOT EXCEED FIFTY MILLION
22 DOLLARS.

23 (c) IF TOTAL CREDITS EXCEED THE ANNUAL LIMITATION, EXCESS
24 CREDITS MAY BE CARRIED FORWARD AND CLAIMED IN SUBSEQUENT TAX
25 YEARS FOR UP TO FIVE YEARS.

26 (4) **Construction.** NOTHING IN SECTION 40-3.7-109 OR THIS
27 SECTION:

28 (a) REQUIRES PAYMENT OF THE PREVAILING WAGE;

29 (b) REQUIRES THE USE OF A PROJECT LABOR AGREEMENT;

30 (c) EXPANDS THE JURISDICTION OR AUTHORITY OF THE
31 COMMISSION; OR

32 (d) ALTERS ANY REQUIREMENT OF THIS ARTICLE 3.7 REGARDING
33 COST RESPONSIBILITY OR PROHIBITION ON COST SHIFTING TO RETAIL
34 RATEPAYERS."

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