

**Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

REVISED

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

LLS NO. 20-0290.02 Esther van Mourik x4215

HOUSE BILL 20-1109

HOUSE SPONSORSHIP

Van Winkle and Garnett, Carver, Champion, Gray, Herod, Titone, Woodrow

SENATE SPONSORSHIP

Gardner and Todd,

House Committees

Finance
Appropriations

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Finance
Appropriations

A BILL FOR AN ACT

101 **CONCERNING AN EXTENSION OF THE INCOME TAX CREDIT FOR**
102 **EMPLOYER CONTRIBUTIONS TO EMPLOYEE 529 QUALIFIED**
103 **STATE TUITION PROGRAMS.**

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 the income tax credit for employer contributions to employee 529 qualified state tuition programs for an additional 10 years.

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

SENATE
2nd Reading Unamended
June 2, 2020

HOUSE
3rd Reading Unamended
February 19, 2020

HOUSE
2nd Reading Unamended
February 18, 2020

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

2 **SECTION 1. Legislative declaration.** The general assembly
3 hereby finds and declares that the intended purpose of this tax
4 expenditure is to extend an incentive for employers to help their
5 employees enhance education savings goals by contributing directly to the
6 employees' qualified state tuition program accounts administered by
7 collegeinvest.

8 **SECTION 2.** In Colorado Revised Statutes, 39-22-539, **amend**
9 (3) and (7) as follows:

10 **39-22-539. Credit for employer contributions to employee 529**
11 **qualified state tuition programs - legislative declaration - definitions**
12 **- repeal.** (3) For income tax years commencing on or after January 1,
13 2019, but prior to ~~January 1, 2022~~ JANUARY 1, 2032, if an employer
14 makes a contribution of money to a 529 qualified state tuition program
15 account owned by an employee during the income tax year, without
16 regard to the named beneficiary of the account, then the employer is
17 allowed a credit against the income taxes imposed by this article 22 in an
18 amount equal to twenty percent of the contribution. The maximum total
19 credit an employer may claim under this section for each employee in a
20 taxable year is five hundred dollars.

21 (7) This section is repealed, effective ~~December 31, 2024~~
22 DECEMBER 31, 2036.

23 **SECTION 3. Act subject to petition - effective date.** This act
24 takes effect at 12:01 a.m. on the day following the expiration of the
25 ninety-day period after final adjournment of the general assembly (August
26 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
27 referendum petition is filed pursuant to section 1 (3) of article V of the

1 state constitution against this act or an item, section, or part of this act
2 within such period, then the act, item, section, or part will not take effect
3 unless approved by the people at the general election to be held in
4 November 2020 and, in such case, will take effect on the date of the
5 official declaration of the vote thereon by the governor.