

HOUSE COMMITTEE OF REFERENCE REPORT

\_\_\_\_\_  
Chair of Committee

February 26, 2026  
Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB26-1048 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 4, line 16, after "JULY 29, 2029," insert "AND  
2 BEGINNING AT 11:59 P.M. ON JULY 26, 2030, AND ENDING AT 11:59 P.M.  
3 ON JULY 28, 2030, AND BEGINNING AT 11:59 P.M. ON JULY 25, 2031, AND  
4 ENDING AT 11:59 P.M. ON JULY 27, 2031,".

5 Page 5, after line 10 insert:

6 "(7) AN EXEMPTION ESTABLISHED IN SUBSECTION (3) OF THIS  
7 SECTION SHALL ONLY BE ALLOWED IF THE ESTIMATED ADJUSTMENT  
8 FACTOR, AS DEFINED IN SECTIONS 39-22-130 (2)(b)(I) AND 39-22-123.5  
9 (3.5)(a)(VI), FOR THE APPLICABLE STATE INCOME TAX YEAR WILL BE  
10 GREATER THAN THREE AND SEVENTY-FIVE ONE-HUNDREDTHS PERCENT.".

11 Renumber succeeding subsection accordingly.

12 Page 5, line 11, strike "2033." and substitute "2035.".

13 Page 6, after line 11 insert:

14 "SECTION 3. In Colorado Revised Statutes, 39-22-123.5, amend  
15 (3.5)(a)(VI) as follows:

16 **39-22-123.5. Earned income tax credit - legislative declaration**  
17 **- repeal.**

18 (3.5) (a) As used in this subsection (3.5), unless the context  
19 otherwise requires:

20 (VI) "EV" means the estimate of the state's nonexempt revenue  
21 for the applicable state fiscal year included in the applicable forecast  
22 excluding the projected aggregate amount of the increased portion of the

1 earned income tax credit allowed pursuant to subsection (3.5)(b) or  
2 (3.5)(c) of this section, ~~and~~ the projected aggregate amount of the credit  
3 allowed pursuant to section 39-22-130, created in House Bill 24-1311,  
4 enacted in 2024, AND THE REVENUE LOSS ATTRIBUTABLE TO THE SALES  
5 AND USE TAX EXEMPTION ALLOWED PURSUANT TO SECTION 39-26-735,  
6 CREATED IN HOUSE BILL 26-1048, ENACTED IN 2026, for the given income  
7 tax year.

8 **SECTION 4.** In Colorado Revised Statutes, 39-22-130, **amend**  
9 (2)(b)(II)(E) as follows:

10 **39-22-130. Family affordability tax credit - tax preference**  
11 **performance statement - legislative declaration - definitions - repeal.**

12 (2) As used in this section, unless the context otherwise requires:

13 (b) (II) As used in this subsection (2)(b):

14 (E) "EV" means the estimate of the state's nonexempt revenue for  
15 the applicable state fiscal year included in the applicable forecast  
16 excluding the projected aggregate amount of the tax credit allowed  
17 pursuant to this section, ~~and~~ the projected aggregate amount of the  
18 increased portion of the earned income tax credit allowed pursuant to  
19 section 39-22-123.5 (3.5), created in House Bill 24-1134, enacted in  
20 2024, AND THE REVENUE LOSS ATTRIBUTABLE TO THE SALES AND USE TAX  
21 EXEMPTION ALLOWED PURSUANT TO SECTION 39-26-735, CREATED IN  
22 HOUSE BILL 26-1048, ENACTED IN 2026, for the given income tax year.".

23 Renumber succeeding section accordingly.

\*\* \*\*\* \*\* \*\*\* \*\*