

**First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 17-0936.01 Esther van Mourik x4215

**SENATE BILL 17-188**

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**SENATE SPONSORSHIP**

**Marble**, Baumgardner, Cooke, Holbert, Lundberg, Neville T., Sonnenberg

**HOUSE SPONSORSHIP**

**(None)**,

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**Senate Committees**

Finance  
Appropriations

**House Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE REPEAL OF INCOME TAX CREDITS FOR INNOVATIVE**  
102                    **MOTOR VEHICLES FOR PURCHASES AND LEASES ENTERED INTO**  
103                    **ON OR AFTER JANUARY 1, 2018, AND, IN CONNECTION**  
104                    **THEREWITH, REDUCING AN APPROPRIATION.**

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**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 repeals the income tax credits for innovative motor vehicles and innovative trucks for purchase and leases entered into on or after January 1, 2018.

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

For the 2017-18 state fiscal year and each fiscal year thereafter through the 2020-21 state fiscal year, the bill requires the state controller to credit an amount of tax revenue estimated to be retained by the repeal of the income tax credits to the highway users tax fund.

The bill requires the secretary of state to submit a ballot question, to be treated as a proposition, at the statewide election to be held in November 2017 asking the voters:

- ! To increase state tax revenue by a specified amount in each fiscal year through the 2020-21 state fiscal year by the repeal of the income tax credit for innovative motor vehicles and the income tax credit for innovative trucks;
- ! To credit the resulting estimated tax revenue to the highway users tax fund; and
- ! To allow an estimate of the resulting tax revenue to be collected and spent notwithstanding any limitations in section 20 of article X of the state constitution (TABOR).

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-516.7, **repeal**  
3 **as it will become effective December 31, 2019**, (1)(a)(I)(A) as follows:

4 **39-22-516.7. Tax credit for innovative motor vehicles -**  
5 **definitions - repeal.** (1) (a) (I) (A) [*Editor's note: This version of*  
6 *subsection (1)(a)(I)(A) is effective December 31, 2019.*] "~~Actual cost~~  
7 ~~incurred~~" ~~means the actual cost paid by the purchaser for a used motor~~  
8 ~~vehicle or conversion minus any credits, grants, or rebates, including~~  
9 ~~federal credits, grants, or rebates for which the purchaser is eligible, but~~  
10 ~~excluding the credit specified in this section.~~

11 **SECTION 2.** In Colorado Revised Statutes, 39-22-516.7, **amend**  
12 (2)(a), (2)(c), (4)(a)(II), (4)(b)(II), and (10); and **repeal** (4)(a)(III),  
13 (4)(a)(IV), (4)(b)(III), and (4)(b)(IV) as follows:

14 **39-22-516.7. Tax credit for innovative motor vehicles -**  
15 **definitions - repeal.** (2) (a) With respect to the tax years commencing on  
16 or after January 1, 2013, but prior to ~~January 1, 2022~~ JANUARY 1, 2018,

1 there is allowed to any person a credit against the tax imposed by this  
2 article, not to exceed the amount specified in subsection (4) of this  
3 section, for the purchase or lease of a motor vehicle defined as category  
4 1.

5 (c) With respect to the tax years commencing on or after January  
6 1, 2014, but prior to ~~January 1, 2022~~ JANUARY 1, 2018, there is allowed  
7 to any person a credit against the tax imposed by this article, not to  
8 exceed the amount specified in subsection (4) of this section, for the  
9 conversion of a motor vehicle defined as category 1 A.

10 (4) The amount of the credit allowed pursuant to this section is  
11 calculated as follows:

12 (a) **Category 1.** (II) With respect to the tax years commencing on  
13 or after January 1, 2017, but prior to ~~January 1, 2020~~ JANUARY 1, 2018,  
14 five thousand dollars for a purchase or two thousand five hundred dollars  
15 for a lease;

16 (III) ~~With respect to the tax years commencing on or after January~~  
17 ~~1, 2020, but prior to January 1, 2021, four thousand dollars for a purchase~~  
18 ~~or two thousand dollars for a lease;~~

19 (IV) ~~With respect to the tax years commencing on or after January~~  
20 ~~1, 2021, but prior to January 1, 2022, two thousand five hundred dollars~~  
21 ~~for a purchase or one thousand five hundred dollars for a lease.~~

22 (b) **Category 1 A.** (II) With respect to the tax years commencing  
23 on or after January 1, 2017, but prior to ~~January 1, 2020~~ JANUARY 1,  
24 2018, five thousand dollars;

25 (III) ~~With respect to the tax years commencing on or after January~~  
26 ~~1, 2020, but prior to January 1, 2021, four thousand dollars;~~

27 (IV) ~~With respect to the tax years commencing on or after January~~

1 ~~1, 2021, but prior to January 1, 2022, two thousand five hundred dollars.~~

2 (10) This section is repealed, effective ~~December 31, 2026~~  
3 DECEMBER 31, 2022.

4 **SECTION 3.** In Colorado Revised Statutes, 39-22-516.8, **amend**  
5 (2.3), (2.5), (3.5), (4.3), (4.5), (5.5), (6), (7), (8.3), (8.5), (9.5), (10), (11),  
6 (11.6), and (18); and **repeal** (14) as follows:

7 **39-22-516.8. Tax credit for innovative trucks - definitions -**  
8 **repeal.** (2.3) **Category 4 purchase.** (a) Except as provided in subsection  
9 (14) of this section, with respect to the income tax years commencing on  
10 or after January 1, 2017, but before ~~January 1, 2022~~ JANUARY 1, 2020,  
11 there is allowed to any person a credit against the tax imposed by this  
12 article in an amount set forth in paragraph (b) of this subsection (2.3) for  
13 each purchase of a category 4 truck during the tax year.

14 (b)

	Income tax year commencing:		
	1/1/2017 but before <u>1/1/2020</u> <u>=====</u>	<del>1/1/2020</del> but before <del>1/1/2021</del>	<del>1/1/2021</del> but before <del>1/1/2022</del>
18 Light duty passenger 19 motor vehicle	\$5,000	<del>\$4,000</del>	<del>\$2,500</del>
20 Light duty truck	\$7,000	<del>\$5,500</del>	<del>\$3,500</del>
21 Medium duty truck	\$10,000	<del>\$8,000</del>	<del>\$5,000</del>
22 Heavy duty truck	\$20,000	<del>\$16,000</del>	<del>\$10,000</del>

23 (2.5) **Category 4 lease.** (a) Except as provided in subsection (14)  
24 of this section, with respect to the income tax years commencing on or  
25 after January 1, 2017, but before ~~January 1, 2022~~ JANUARY 1, 2020, there  
26 is allowed to any person a credit against the tax imposed by this article in  
27 an amount set forth in paragraph (b) of this subsection (2.5) for each lease

1 of a category 4 truck during the tax year.

2 (b)

	Income tax year commencing:		
	1/1/2017		
	but before	<del>1/1/2020</del>	<del>1/1/2021</del>
	<u>1/1/2020</u>	<del>but before</del>	<del>but before</del>
	<u>_____</u>	<del>1/1/2021</del>	<del>1/1/2022</del>
3			
4			
5			
6	Light duty passenger		
7	motor vehicle	\$2,500	<del>\$2,000</del>
8	Light duty truck	\$3,500	<del>\$2,750</del>
9	Medium duty truck	\$5,000	<del>\$4,000</del>
10	Heavy duty truck	\$10,000	<del>\$8,000</del>

11 (3.5) **Category 4 A.** (a) Except as provided in subsection (14) of  
 12 this section, with respect to the income tax years commencing on or after  
 13 January 1, 2017, but before ~~January 1, 2022~~ JANUARY 1, 2020, there is  
 14 allowed to any person a credit against the tax imposed by this article an  
 15 amount set forth in paragraph (b) of this subsection (3.5) for the  
 16 conversion of a category 4 A truck during the tax year.

17 (b)

	Income tax year commencing:		
	1/1/2017		
	but before	<del>1/1/2020</del>	<del>1/1/2021</del>
	<u>1/1/2020</u>	<del>but before</del>	<del>but before</del>
	<u>_____</u>	<del>1/1/2021</del>	<del>1/1/2022</del>
18			
19			
20			
21	Light duty passenger		
22	motor vehicle	\$5,000	<del>\$4,000</del>
23	Light duty truck	\$7,000	<del>\$5,500</del>
24	Medium duty truck	\$10,000	<del>\$8,000</del>
25	Heavy duty truck	\$20,000	<del>\$16,000</del>

26 (4.3) **Category 4 B purchase.** (a) Except as provided in

1 subsection (14) of this section, with respect to the income tax years  
 2 commencing on or after January 1, 2017, but before ~~January 1, 2022~~  
 3 JANUARY 1, 2018, there is allowed to any person a credit against the tax  
 4 imposed by this article an amount set forth in paragraph (b) of this  
 5 subsection (4.3) for each purchase of a category 4 B truck during the tax  
 6 year.

7 (b)

	Income tax year commencing:		
	1/1/2017		
	but before	<del>1/1/2020</del>	<del>1/1/2021</del>
	<del>1/1/2020</del>	but before	but before
	1/1/2018	<del>1/1/2021</del>	<del>1/1/2022</del>
Light duty passenger motor vehicle	\$5,000	<del>\$4,000</del>	<del>\$2,500</del>
Light duty truck	\$7,000	<del>\$5,500</del>	<del>\$3,500</del>
Medium duty truck	\$10,000	<del>\$8,000</del>	<del>\$5,000</del>
Heavy duty truck	\$20,000	<del>\$16,000</del>	<del>\$10,000</del>

16 (4.5) **Category 4 B lease.** (a) Except as provided in subsection  
 17 (14) of this section, with respect to the income tax years commencing on  
 18 or after January 1, 2017, but before ~~January 1, 2022~~ JANUARY 1, 2018,  
 19 there is allowed to any person a credit against the tax imposed by this  
 20 article an amount set forth in paragraph (b) of this subsection (4.5) for  
 21 each lease of a category 4 B truck during the tax year.

22 (b)

	Income tax year commencing:		
	1/1/2017		
	but before	<del>1/1/2020</del>	<del>1/1/2021</del>
	<del>1/1/2020</del>	but before	but before
	1/1/2018	<del>1/1/2021</del>	<del>1/1/2022</del>

1	Light duty passenger			
2	motor vehicle	\$2,500	<del>\$2,000</del>	\$1,500
3	Light duty truck	\$3,500	<del>\$2,750</del>	\$1,750
4	Medium duty truck	\$5,000	<del>\$4,000</del>	\$2,500
5	Heavy duty truck	\$10,000	<del>\$8,000</del>	\$5,000

6 (5.5) **Category 4 C.** (a) Except as provided in subsection (14) of  
7 this section, with respect to the income tax years commencing on or after  
8 January 1, 2017, but before ~~January 1, 2022~~ JANUARY 1, 2018, there is  
9 allowed to any person a credit against the tax imposed by this article in  
10 the amount set forth in paragraph (b) of this subsection (5.5) for the  
11 conversion of a category 4 C truck during the tax year.

12	(b)	Income tax year commencing:		
13		1/1/2017		
14		but before	<del>1/1/2020</del>	<del>1/1/2021</del>
15		<del>1/1/2020</del>	<del>but before</del>	<del>but before</del>
16		1/1/2018	<del>1/1/2021</del>	<del>1/1/2022</del>
17	Light duty passenger			
18	motor vehicle	\$5,000	<del>\$4,000</del>	\$2,500
19	Light duty truck	\$7,000	<del>\$5,500</del>	\$3,500
20	Medium duty truck	\$10,000	<del>\$8,000</del>	\$5,000
21	Heavy duty truck	\$20,000	<del>\$16,000</del>	\$10,000

22 (6) **Category 5.** With respect to the income tax years commencing  
23 on or after January 1, 2015, but before ~~January 1, 2022~~ JANUARY 1, 2018,  
24 there is allowed to any person a credit against the tax imposed by this  
25 article of twenty-five percent of the actual cost incurred by the taxpayer  
26 during a tax year for category 5, not to exceed six thousand dollars.

27 (7) **Category 6.** With respect to the income tax years commencing  
on or after January 1, 2014, but before ~~January 1, 2022~~ JANUARY 1, 2018,

1 there is allowed to any person a credit against the tax imposed by this  
 2 article of twenty-five percent of the actual cost incurred by the taxpayer  
 3 during a tax year for category 6, not to exceed six thousand dollars for  
 4 each installed device and not to exceed fifty thousand dollars during a tax  
 5 year for the installation of multiple devices. For purposes of the income  
 6 tax year commencing on or after January 1, 2014, but before January 1,  
 7 2015, the installation must occur on or after July 1, 2014, but before  
 8 January 1, 2015.

9 (8.3) **Category 7 purchase.** (a) Except as provided in subsection  
 10 (14) of this section, with respect to the income tax years commencing on  
 11 or after January 1, 2017, but before ~~January 1, 2022~~ JANUARY 1, 2018,  
 12 there is allowed to any person a credit against the tax imposed by this  
 13 article in an amount set forth in paragraph (b) of this subsection (8.3) for  
 14 each purchase of a category 7 truck during the tax year.

15 (b)

	Income tax year commencing:		
	1/1/2017 but before <del>1/1/2020</del> 1/1/2018	<del>1/1/2020</del> but before <del>1/1/2021</del>	<del>1/1/2021</del> but before <del>1/1/2022</del>
19 Light duty passenger 20 motor vehicle over 8,500 21 GVWR	\$5,000	<del>\$4,000</del>	<del>\$2,500</del>
22 Light duty electric truck	\$7,000	<del>\$5,500</del>	<del>\$3,500</del>
23 Medium duty electric 24 truck	\$10,000	<del>\$8,000</del>	<del>\$5,000</del>
25 Heavy duty truck	\$20,000	<del>\$16,000</del>	<del>\$10,000</del>

26 (8.5) **Category 7 lease.** (a) Except as provided in subsection (14)  
 27 of this section, with respect to the income tax years commencing on or

1 after January 1, 2017, but before ~~January 1, 2022~~ JANUARY 1, 2018, there  
 2 is allowed to any person a credit against the tax imposed by this article in  
 3 an amount set forth in paragraph (b) of this subsection (8.5) for each lease  
 4 of a category 7 truck during the tax year.

5 (b)

	Income tax year commencing:		
	1/1/2017		
	but before	<del>1/1/2020</del>	<del>1/1/2021</del>
	<del>1/1/2020</del>	but before	but before
	1/1/2018	<del>1/1/2021</del>	<del>1/1/2022</del>
6 Light duty passenger			
7 motor			
8 vehicle over 8,500 GVWR	\$2,500	<del>\$2,000</del>	<del>\$1,500</del>
9 Light duty electric truck	\$3,500	<del>\$2,750</del>	<del>\$1,750</del>
10 Medium duty electric			
11 truck	\$5,000	<del>\$4,000</del>	<del>\$2,500</del>
12 Heavy duty truck	\$10,000	<del>\$8,000</del>	<del>\$5,000</del>

16 (9.5) **Category 7 A.** (a) Except as provided in subsection (14) of  
 17 this section, with respect to the income tax years commencing on or after  
 18 January 1, 2017, but before ~~January 1, 2022~~ JANUARY 1, 2018, there is  
 19 allowed to any person a credit against the tax imposed by this article in an  
 20 amount set forth in paragraph (b) of this subsection (9.5) for the  
 21 conversion of a category 7 A truck during the tax year.

22 (b)

	Income tax year commencing:		
	1/1/2017		
	but before	<del>1/1/2020</del>	<del>1/1/2021</del>
	<del>1/1/2020</del>	but before	but before
	1/1/2018	<del>1/1/2021</del>	<del>1/1/2022</del>

1	Light duty passenger			
2	motor vehicle with a			
3	GVWR over 8,500 lbs	\$5,000	<del>\$4,000</del>	<del>\$2,500</del>
4	Light duty electric truck	\$7,000	<del>\$5,500</del>	<del>\$3,500</del>
5	Medium duty electric			
6	truck	\$10,000	<del>\$8,000</del>	<del>\$5,000</del>
7	Heavy duty truck	\$20,000	<del>\$16,000</del>	<del>\$10,000</del>

8 (10) **Category 8.** (a) With respect to the income tax years  
9 commencing on or after January 1, 2014, but before ~~January 1, 2022~~  
10 JANUARY 1, 2020, there is allowed to any person a credit against the tax  
11 imposed by this article as a percentage set forth in paragraph (b) of this  
12 subsection (10) of the actual cost incurred by the taxpayer during the tax  
13 year for each purchase or lease of a category 8 trailer, not to exceed the  
14 amount set forth in paragraph (b) of this subsection (10). For purposes of  
15 the income tax year commencing on or after January 1, 2014, but before  
16 January 1, 2015, the purchase or lease of a category 8 trailer must occur  
17 on or after July 1, 2014, but before January 1, 2015.

18 (b)

	<u>Income tax year commencing:</u>						
	<u>1/1/20</u>	<u>1/1/20</u>	<u>1/1/20</u>	<u>1/1/20</u>	<u>1/1/20</u>	<u>Cap</u>	
	<u>14</u>	<u>17</u>	<u>19</u>	<u>20</u>	<u>21 but</u>	<u>per</u>	
	<u>1/1/20</u>	<u>1/1/20</u>			<u>before</u>	<u>incom</u>	
	<u>15</u>	<u>18</u>			<u>1/1/20</u>	<u>e tax</u>	
	<u>1/1/20</u>				<u>22</u>	<u>year</u>	
	<u>16</u>						
25	<u>Category 8</u>	<u>18%</u>	<u>15%</u>	<u>11.75</u>	<u>7.5%</u>	<u>3.75%</u>	<u>\$7,500</u>
26			<u>%</u>				

27 (11) **Category 8 A.** (a) With respect to the income tax years

1 commencing on or after January 1, 2014, but before ~~January 1, 2022~~  
 2 JANUARY 1, 2020, there is allowed to any person a credit against the tax  
 3 imposed by this article as a percentage set forth in paragraph (b) of this  
 4 subsection (11) of the actual cost incurred by the taxpayer during the tax  
 5 year for the conversion of a refrigerated trailer to a category 8 A trailer,  
 6 not to exceed the amount set forth in paragraph (b) of this subsection  
 7 (11). For purposes of the income tax year commencing on or after January  
 8 1, 2014, but before January 1, 2015, the conversion of a refrigerated  
 9 trailer to a category 8 A trailer must occur on or after July 1, 2014, but  
 10 before January 1, 2015.

11 (b)

	<u>Income tax year commencing:</u>					
	<u>1/1/20</u>	<u>1/1/20</u>	<u>1/1/20</u>	<u>1/1/20</u>	<u>1/1/20</u>	<u>Cap</u>
	<u>14</u>	<u>17</u>	<u>19</u>	<u>20</u>	<u>21 but</u>	<u>per</u>
	<u>1/1/20</u>	<u>1/1/20</u>			<u>before</u>	<u>incom</u>
	<u>15</u>	<u>18</u>			<u>1/1/20</u>	<u>e tax</u>
	<u>1/1/20</u>				<u>22</u>	<u>year</u>
	<u>16</u>					
<u>Category 8 A</u>	<u>55%</u>	<u>45%</u>	<u>33.75</u>	<u>22.5%</u>	<u>11.25</u>	<u>\$7,500</u>
			<u>%</u>		<u>%</u>	

20 (11.6) **Category 9.** (a) Except as otherwise provided in  
 21 subsection (14) of this section, with respect to the income tax years  
 22 commencing on or after January 1, 2017, but before ~~January 1, 2022~~  
 23 JANUARY 1, 2020, there is allowed to any person a credit against the tax  
 24 imposed by this article in an amount set forth in paragraph (b) of this  
 25 subsection (11.6) for the conversion of a category 9 truck during the tax  
 26 year.

27 ==

	<u>Income tax year commencing:</u>		
	<u>1/1/2017</u>	<u>1/1/2020</u>	<u>1/1/2021</u>
	<u>but before</u>	<u>but before</u>	<u>but before</u>
	<u>1/1/2020</u>	<u>1/1/2021</u>	<u>1/1/2022</u>
<u>Category 9</u>	<u>\$5,000</u>	<u>\$4,000</u>	<u>\$2,500</u>

(14) (a) During the calendar year ending December 31, 2018, the Colorado energy office created in section 24-38.5-101, C.R.S., shall determine whether category 4, 4 A, 4 B, 4 C, 7, 7 A, or 9 medium or heavy duty trucks generate life-cycle emissions materially greater than comparable medium or heavy duty trucks using traditional fuel. Such a life-cycle analysis must include the direct emissions regulated by the United States environmental protection agency or by the department of public health and environment that are associated with producing, transporting, and using the alternative or traditional fuels. The Colorado energy office shall consider the likely adoption of future technology at each stage of the life-cycle.

(b) In making the determinations described in paragraph (a) of this subsection (14), the Colorado energy office shall consider public input, any analysis or reports prepared by the department of public health and environment, other states, or the United States environmental protection agency, and any peer-reviewed studies conducted in the United States that evaluate similar matters.

(c) In the event that category 4, 4 A, 4 B, 4 C, 7, 7 A, or 9 medium or heavy duty trucks are shown to generate life-cycle emissions materially greater than comparable traditional fuel trucks, then the Colorado energy office shall notify the department of revenue that no tax credit specified

1 in this section is available for such trucks for the income tax years  
2 commencing on or after January 1, 2019, but before January 1, 2022;  
3 except that the Colorado energy office may determine if a particular  
4 category 4, 4 A, 4 B, 4 C, 7, 7 A, or 9 truck model or engine does not  
5 generate life-cycle emissions materially greater than a comparable  
6 traditional fuel truck model or engine and is thus allowed a credit for a  
7 given income tax year, or the Colorado energy office may allow a credit  
8 if the taxpayer can demonstrate that the taxpayer has a long-term fuel  
9 contract for his or her category 4, 4 A, 4 B, 4 C, 7, 7 A, or 9 truck from  
10 a green fuel provider, such that the life-cycle emissions from such truck  
11 are not materially greater than the emissions of a comparable traditional  
12 fuel truck. For purposes of this paragraph (c), "green fuel provider"  
13 means the alternative fuel is produced and delivered by providers that  
14 have adopted best practices for low life-cycle emissions. On or before  
15 January 1, 2019, and on or before each January 1 thereafter through  
16 January 1, 2021, the Colorado energy office and the department of  
17 revenue shall, through their respective websites, specify which category  
18 4, 4 A, 4 B, 4 C, 7, 7 A, or 9 medium or heavy duty trucks are not allowed  
19 a credit for a given income tax year.

20 (18) This section is repealed, effective ~~December 31, 2026~~  
21 DECEMBER 31, 2022.

22 **SECTION 4.** In Colorado Revised Statutes, 43-4-205, **add** (6.4)  
23 as follows:

24 **43-4-205. Allocation of fund.** (6.4) FOR THE 2017-18 STATE  
25 FISCAL YEAR AND EACH FISCAL YEAR THEREAFTER THROUGH THE 2020-21  
26 STATE FISCAL YEAR, THE STATE CONTROLLER SHALL CREDIT AN AMOUNT  
27 OF TAX REVENUE ESTIMATED TO BE RETAINED BY THE REPEAL OF THE

1 INCOME TAX CREDIT FOR INNOVATIVE MOTOR VEHICLES AND THE REPEAL  
2 OF THE INCOME TAX CREDIT FOR INNOVATIVE TRUCKS TO THE HIGHWAY  
3 USERS TAX FUND, TO BE ALLOCATED AND EXPENDED IN ACCORDANCE WITH  
4 THE FORMULA SPECIFIED IN SUBSECTION (6)(b) OF THIS SECTION.

5 **SECTION 5.** In Colorado Revised Statutes, **add** 39-22-516.9 as  
6 follows:

7 **39-22-516.9. Voter approved revenue change related to repeals**  
8 **of the income tax credit for innovative motor vehicles and the income**  
9 **tax credit for innovative trucks - crediting of estimated revenue to the**  
10 **highway users tax fund - definition - repeal.** (1) AS USED IN THIS  
11 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES, "BALLOT ISSUE"  
12 MEANS THE QUESTION REFERRED TO VOTERS IN SUBSECTION (2) OF THIS  
13 SECTION.

14 (2) AT THE ELECTION HELD ON NOVEMBER 7, 2017, THE  
15 SECRETARY OF STATE SHALL SUBMIT TO THE REGISTERED ELECTORS OF  
16 THE STATE FOR THEIR APPROVAL OR REJECTION THE FOLLOWING BALLOT  
17 ISSUE: "SHALL STATE TAXES BE INCREASED BY \$7 MILLION ANNUALLY IN  
18 THE FIRST FULL FISCAL YEAR AND BY SUCH AMOUNTS AS ARE RAISED  
19 ANNUALLY THEREAFTER THROUGH THE 2020-21 STATE FISCAL YEAR BY  
20 THE REPEAL OF THE INCOME TAX CREDIT FOR INNOVATIVE MOTOR  
21 VEHICLES AND THE INCOME TAX CREDIT FOR INNOVATIVE TRUCKS AS A  
22 TAX POLICY CHANGE DIRECTLY CAUSING A NET TAX REVENUE GAIN TO THE  
23 STATE, WITH THE RESULTING ESTIMATED TAX REVENUE BEING CREDITED  
24 TO THE HIGHWAY USERS TAX FUND, AND WITH AN ESTIMATE OF THE  
25 RESULTING TAX REVENUE BEING ALLOWED TO BE COLLECTED AND SPENT  
26 NOTWITHSTANDING ANY LIMITATIONS PROVIDED BY LAW?"

27 (3) FOR PURPOSES OF SECTION 1-5-407 (5)(b), THE BALLOT ISSUE

1 IS A PROPOSITION. SECTION 1-40-106 (3)(d) DOES NOT APPLY TO THE  
2 BALLOT ISSUE.

3 (4) (a) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT  
4 ISSUE VOTE "NO/AGAINST", THEN THIS SECTION IS REPEALED, EFFECTIVE  
5 FEBRUARY 1, 2018.

6 (b) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE  
7 VOTE "YES/FOR", THEN THIS SUBSECTION (4) IS REPEALED, EFFECTIVE  
8 FEBRUARY 1, 2018.

9 **SECTION 6. Appropriation - adjustments to 2017 long bill. To**  
10 **implement this act, the general fund appropriation made in the annual**  
11 **general appropriation act for the 2017-18 state fiscal year to the office of**  
12 **the governor for use by the Colorado energy office for program**  
13 **administration is decreased by \$70,000.**

14 **SECTION 7. Effective date.** (1) Except as specified in  
15 subsection (2) of this section, this act takes effect upon passage.

16 (2) (a) Sections 1 through 4 and 6 of this act take effect only if, at  
17 the November 2017 statewide election, a majority of the voters approve  
18 the ballot issue submitted pursuant to section 39-22-516.9, Colorado  
19 Revised Statutes, enacted in section 5 of this act.

20 (b) If the voters at the November 2017 statewide election approve  
21 a measure described in subsection (2)(a) of this section, then sections 1  
22 through 4 and 6 of this act take effect on the date of the official  
23 declaration of the vote thereon by the governor.

24 **SECTION 8. Safety clause.** The general assembly hereby finds,  
25 determines, and declares that this act is necessary for the immediate  
26 preservation of the public peace, health, and safety.