

CHAPTER 223

TAXATION

HOUSE BILL 17-1104

BY REPRESENTATIVE(S) Navarro, Lundeen, Carver, Liston, Nordberg, Williams D., Buckner, Esgar, Exum, Hamner, Lebsock, Melton, Mitsch Bush, Pabon, Ransom, Rosenthal, Salazar, Singer, Van Winkle, Duran; also SENATOR(S) Priola, Gardner, Hill, Fields, Garcia, Jahn, Kerr, Lambert, Lundberg, Marble, Martinez Humenik, Scott, Tate, Todd, Grantham.

AN ACT

CONCERNING THE EXCLUSION FROM STATE TAXABLE INCOME OF THE MONETARY VALUE OF ANY MEDAL WON BY AN ATHLETE WHILE COMPETING FOR THE UNITED STATES OF AMERICA AT THE OLYMPIC GAMES, SO LONG AS THE ATHLETE'S FEDERAL ADJUSTED GROSS INCOME DOES NOT EXCEED A SPECIFIED AMOUNT.

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

SECTION 1. In Colorado Revised Statutes, 39-22-104, **add** (4)(x) as follows:

39-22-104. Income tax imposed on individuals, estates, and trusts - single rate - legislative declaration - definitions - repeal. (4) There shall be subtracted from federal taxable income:

(x) (I) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4)(x)(II) OF THIS SECTION, FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2018, ALL INCOME EARNED, TO THE EXTENT INCLUDED IN FEDERAL TAXABLE INCOME EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4)(x)(IV) OF THIS SECTION, AS A DIRECT RESULT OF WINNING A MEDAL WHILE COMPETING FOR THE UNITED STATES OF AMERICA AT THE OLYMPIC GAMES.

(II) THE SUBTRACTION PROVIDED FOR IN SUBSECTION (4)(x)(I) OF THIS SECTION DOES NOT APPLY TO A TAXPAYER WHOSE FEDERAL ADJUSTED GROSS INCOME FOR THE INCOME TAX YEAR IN WHICH THE TAXPAYER HAS INCOME EARNED AS A DIRECT RESULT OF WINNING A MEDAL, AS DETERMINED PRIOR TO APPLICATION OF THIS SUBSECTION (4)(x), EXCEEDS ONE MILLION DOLLARS OR, IF THE TAXPAYER'S FILING STATUS IS MARRIED FILING SEPARATELY, EXCEEDS FIVE HUNDRED THOUSAND DOLLARS.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

(III) AS USED IN THIS SUBSECTION (4)(x):

(A) "INCOME EARNED AS A DIRECT RESULT OF WINNING A MEDAL" INCLUDES BOTH THE MONETARY VALUE OF THE MEDAL ITSELF AND ANY MONETARY AWARD GIVEN FOR WINNING THE MEDAL BY THE UNITED STATES OLYMPIC COMMITTEE OR ANY SPORT-SPECIFIC NATIONAL GOVERNING BODY OR PARALYMPIC SPORT ORGANIZATION BUT DOES NOT INCLUDE ENDORSEMENT INCOME OR NONMONETARY BENEFITS.

(B) "OLYMPIC GAMES" MEANS THE SUMMER AND WINTER OLYMPIC GAMES AND THE SUMMER AND WINTER PARALYMPIC GAMES.

(IV) THE MONETARY VALUE OF ANY MEDAL WON WHILE COMPETING FOR THE UNITED STATES OF AMERICA AT EITHER THE SUMMER OR WINTER OLYMPIC GAMES OR THE SUMMER OR WINTER PARALYMPIC GAMES SHALL BE SUBTRACTED FROM FEDERAL TAXABLE INCOME REGARDLESS OF WHETHER OR NOT SAID MONETARY VALUE IS INCLUDED IN FEDERAL TAXABLE INCOME.

SECTION 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2018 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 22, 2017