A BILL FOR AN ACT

CONCERNING THE COLORADO AFFORDABLE HOUSING TAX CREDIT,
AND, IN CONNECTION THEREWITH, RENAMING THE LOW-INCOME
HOUSING TAX CREDIT THE COLORADO AFFORDABLE HOUSING
TAX CREDIT AND EXTENDING THE PERIOD DURING WHICH THE
COLORADO HOUSING AND FINANCE AUTHORITY MAY ALLOCATE
AFFORDABLE HOUSING TAX CREDITS.

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 changes the name of the existing low-income housing tax
credit to the affordable housing tax credit. This change is reflected in sections 1 and 3 of the bill.

Section 2 extends the period during which the Colorado housing and finance authority may allocate affordable housing tax credits from December 31, 2019, to December 31, 2024.

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

SECTION 1. In Colorado Revised Statutes, 39-22-2101, amend (4) as follows:

39-22-2101. Definitions. As used in this part 21, unless the context otherwise requires:

(4) "Credit" means the Colorado low-income AFFORDABLE housing tax credit allowed pursuant to section 39-22-2102.

SECTION 2. In Colorado Revised Statutes, 39-22-2102, amend (3), (4), and (7) introductory portion as follows:

39-22-2102. Credit against tax - affordable housing developments. (3) If an owner of a qualified development receiving an allocation of a credit is a partnership, limited liability company, S corporation, or similar pass-through entity, the owner may allocate the credit among its partners, shareholders, members, or other constituent QUALIFIED taxpayers in any manner agreed to by such persons REGARDLESS OF WHETHER ANY SUCH PERSONS ARE DEEMED A PARTNER FOR FEDERAL INCOME TAX PURPOSES. The owner shall certify to the department the amount of credit allocated to each constituent PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED taxpayer. Each constituent PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER OF THE OWNER PRIOR TO THE FILING OF A TAX CREDIT CLAIMING THE CREDIT IS allowed to claim such amount subject to
any restrictions set forth in this part 21.

(4) No credit shall be allocated pursuant to this part 21 unless the qualified development is the subject of a recorded restrictive covenant requiring the development to be maintained and operated as a qualified development, and is in accordance with the accessibility and adaptability requirements of the federal tax credits and Title VIII of the "Civil Rights Act of 1968", as amended by the "Fair Housing Amendments Act of 1988", for a period of fifteen taxable years, or such longer period as may be agreed to between the authority and the owner, beginning with the first taxable year of the credit period UNLESS CORRECTED WITHIN THE TIME PROVIDED BY SEC. 42(h)(6)(J) OF THE INTERNAL REVENUE CODE AS APPLICABLE TO THE COVENANT DESCRIBED IN THIS SUBSECTION (4).

(7) During each calendar year of the five-year period beginning January 1, 2015, and ending December 31, 2019, the authority may allocate a credit, the full amount of which may be claimed against the taxes imposed by this ARTICLE 22 for each taxable year of the six-year credit period. The aggregate amount of all credits allocated by the authority in each calendar year of the five-year period beginning January 1, 2015, and ending December 31, 2024, shall not exceed the amount of:

SECTION 3. In Colorado Revised Statutes, 39-22-2108, amend (1) introductory portion as follows:

39-22-2108. Report to the general assembly. (1) For each allocation year, the authority shall, by December 31 of that year, provide a written report to the general assembly and shall further make the report available to the public. With respect to allocated state low-income AFFORDABLE housing tax credits under section 39-22-2102, the report
must:

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.