A BILL FOR AN ACT

CONCERNING MODIFICATIONS TO THE INCOME TAX CREDITS FOR INNOVATIVE MOTOR VEHICLES.

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 modifies the amounts of and extends the number of available years of the existing income tax credits for the purchase or lease of an electric motor vehicle, a plug-in hybrid electric motor vehicle, and an original equipment manufacturer electric truck and plug-in hybrid electric truck.
Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 39-22-516.7, amend (2)(a), (4)(a)(III), (4)(a)(IV), and (10) as follows:

39-22-516.7. Tax credit for innovative motor vehicles - definitions - repeal. (2) (a) With respect to the tax years commencing on or after January 1, 2013, but prior to January 1, 2022, there is allowed to any person a credit against the tax imposed by this article, not to exceed the amount specified in subsection (4) of this section, for the purchase or lease of a motor vehicle defined as category 1.

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

(a) Category 1. (III) With respect to the tax years commencing on or after January 1, 2020, but prior to January 1, 2023, four thousand dollars for a purchase or two thousand dollars for a lease;

(IV) With respect to the tax years commencing on or after January 1, 2021, but prior to January 1, 2026, two thousand five hundred dollars for a purchase or one thousand five hundred dollars for a lease.

(10) This section is repealed, effective December 31, 2026.

SECTION 2. In Colorado Revised Statutes, 39-22-516.8, amend (8.3), (8.5), and (18) as follows:

39-22-516.8. Tax credit for innovative trucks - definitions - repeal. (8.3) Category 7 purchase. (a) Except as provided in subsection
(14) of this section, with respect to the income tax years commencing on
or after January 1, 2017, but before January 1, 2022, January 1, 2026,
there is allowed to any person a credit against the tax imposed by this
article ARTICLE 22 in an amount set forth in paragraph (b) of this
subsection (8.3) SUBSECTION (8.3)(b) OF THIS SECTION for each purchase
of a category 7 truck during the tax year.

(b)

<table>
<thead>
<tr>
<th>Income tax year commencing:</th>
<th>1/1/2017</th>
<th>1/1/2020</th>
<th>1/1/2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light duty passenger motor vehicle over 8,500 GVWR</td>
<td>$5,000</td>
<td>$4,000</td>
<td>$2,500</td>
</tr>
<tr>
<td>Light duty electric truck</td>
<td>$7,000</td>
<td>$5,500</td>
<td>$3,500</td>
</tr>
<tr>
<td>Medium duty electric truck</td>
<td>$10,000</td>
<td>$8,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Heavy duty truck</td>
<td>$20,000</td>
<td>$16,000</td>
<td>$10,000</td>
</tr>
</tbody>
</table>

(8.5) Category 7 lease. (a) Except as provided in subsection (14)
of this section, with respect to the income tax years commencing on or
after January 1, 2017, but before January 1, 2022, January 1, 2026, there
is allowed to any person a credit against the tax imposed by this article
ARTICLE 22 in an amount set forth in paragraph (b) of this subsection (8.5)
SUBSECTION (8.5)(b) OF THIS SECTION for each lease of a category 7 truck
during the tax year.
(b)

<table>
<thead>
<tr>
<th>Income tax year commencing:</th>
<th>1/1/2020</th>
<th>1/1/2023</th>
<th>1/1/2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1/2017 but before 1/1/2020</td>
<td>1/1/2020</td>
<td>1/1/2023</td>
<td>1/1/2026</td>
</tr>
</tbody>
</table>

| Light duty passenger motor vehicle over 8,500 GVWR | $2,500 | $2,000 | $1,500 |
| Light duty electric truck | $3,500 | $2,750 | $1,750 |
| Medium duty electric truck | $5,000 | $4,000 | $2,500 |
| Heavy duty truck | $10,000 | $8,000 | $5,000 |

(18) This section is repealed, effective December 31, 2026.

SECTION 3. 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 2, 2019, if adjournment sine die is on May 3, 2019); 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 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.