

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

PREAMENDED

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

LLS NO. 19-0659.01 Esther van Mourik x4215

HOUSE BILL 19-1159

HOUSE SPONSORSHIP

Jaquez Lewis and Gray,

SENATE SPONSORSHIP

Danielson,

House Committees

Energy & Environment
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING MODIFICATIONS TO THE INCOME TAX CREDITS FOR**
102 **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.

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

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-516.7, **amend**
3 (1)(k)(III), (2)(a), (4)(a)(III), (4)(a)(IV), and (10); and **add** (4)(a)(III.5)
4 and (9.5) as follows:

5 **39-22-516.7. Tax credit for innovative motor vehicles -**
6 **definitions - repeal.** (1) As used in this section, unless the context
7 otherwise requires:

8 (k) "Electric motor vehicle" or "plug-in hybrid electric motor
9 vehicle" means a motor vehicle that:

10 (III) Is propelled to a significant extent by an electric motor that
11 draws electricity from a battery OR FUEL CELL that:

12 (A) Has a AN EQUIVALENT battery capacity of not less than four
13 kilowatt hours; and

14 (B) Is capable of being recharged from an external source of
15 electricity OR HYDROGEN.

16 (2) (a) With respect to the tax years commencing on or after
17 January 1, 2013, but prior to ~~January 1, 2022~~ JANUARY 1, 2026, there is
18 allowed to any person a credit against the tax imposed by this ~~article~~
19 ARTICLE 22, not to exceed the amount specified in subsection (4) of this
20 section, for the purchase or lease of a motor vehicle defined as category
21 1.

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

24 (a) **Category 1.** (III) With respect to the tax years commencing
25 on or after January 1, 2020, but prior to ~~January 1, 2021~~ JANUARY 1,
26 ~~2021~~, four thousand dollars for a purchase or two thousand dollars for a

1 lease;

2 (III.5) WITH RESPECT TO TAX YEARS COMMENCING ON OR AFTER
3 JANUARY 1, 2021, BUT PRIOR TO JANUARY 1, 2023, THREE THOUSAND
4 DOLLARS FOR A PURCHASE OR ONE THOUSAND FIVE HUNDRED DOLLARS
5 FOR A LEASE;

6 (IV) With respect to the tax years commencing on or after ~~January~~
7 ~~1, 2021, but prior to January 1, 2022~~ JANUARY 1, 2023, BUT PRIOR TO
8 JANUARY 1, 2026, two thousand five hundred dollars for a purchase or
9 one thousand five hundred dollars for a lease.

10 (9.5) WITH RESPECT TO THE TAX YEARS COMMENCING ON OR
11 AFTER JANUARY 1, 2019, A TRANSPORTATION NETWORK COMPANY, AS
12 DEFINED IN SECTION 40-10.1-602 (3), OR A CONTRACTED THIRD PARTY
13 VEHICLE SUPPLIER, THAT ENTERS INTO LONG-TERM LEASES FOR CATEGORY
14 1 MOTOR VEHICLES IN ORDER TO OFFER SHORT-TERM RENTALS OF THE
15 MOTOR VEHICLES TO ITS DRIVERS SHALL BE TREATED AS HAVING
16 PURCHASED EACH CATEGORY 1 MOTOR VEHICLE FOR PURPOSES OF THE
17 CREDIT CALCULATION SPECIFIED IN SUBSECTION (4)(a) OF THIS SECTION.

18 (10) This section is repealed, effective ~~December 31, 2026~~
19 DECEMBER 31, 2030.

20 **SECTION 2.** In Colorado Revised Statutes, 39-22-516.8, **amend**
21 (8.3), (8.5), and (18) as follows:

22 **39-22-516.8. Tax credit for innovative trucks - definitions -**
23 **repeal.** (8.3) **Category 7 purchase.** (a) Except as provided in subsection
24 (14) of this section, with respect to the income tax years commencing on
25 or after January 1, 2017, but before ~~January 1, 2022~~ JANUARY 1, 2026,
26 there is allowed to any person a credit against the tax imposed by this
27 ~~article~~ ARTICLE 22 in an amount set forth in ~~paragraph (b) of this~~

1 ~~subsection (8.3)~~ SUBSECTION (8.3)(b) OF THIS SECTION for each purchase
 2 of a category 7 truck during the tax year.

3 (b)

	Income tax year commencing:			
				1/1/2021
				1/1/2023
	1/1/2017	1/1/2020	1/1/2021	but before
	but before	but before	but before	1/1/2022
	1/1/2020	1/1/2021	1/1/2023	1/1/2026
Light duty passenger motor vehicle over 8,500 GVWR	\$5,000	\$4,000	\$3,000	\$2,500
Light duty electric truck	\$7,000	\$5,500	\$4,200	\$3,500
Medium duty electric truck	\$10,000	\$8,000	\$6,000	\$5,000
Heavy duty truck	\$20,000	\$16,000	\$12,000	\$10,000

18 (8.5) **Category 7 lease.** (a) Except as provided in subsection (14)
 19 of this section, with respect to the income tax years commencing on or
 20 after January 1, 2017, but before ~~January 1, 2022~~ JANUARY 1, 2026, there
 21 is allowed to any person a credit against the tax imposed by this article
 22 ARTICLE 22 in an amount set forth in ~~paragraph (b) of this subsection (8.5)~~
 23 SUBSECTION (8.5)(b) OF THIS SECTION for each lease of a category 7 truck
 24 during the tax year.

1 (b)

	Income tax year commencing:			
				1/1/2021
				1/1/2023
	1/1/2017	1/1/2020	1/1/2021	but before
	but before	but before	but before	1/1/2022
	1/1/2020	1/1/2021	1/1/2023	1/1/2026
Light duty passenger motor vehicle over 8,500 GVWR	\$2,500	\$2,000	\$1,500	\$1,500
Light duty electric truck	\$3,500	\$2,750	\$2,100	\$1,750
Medium duty electric truck	\$5,000	\$4,000	\$3,000	\$2,500
Heavy duty truck	\$10,000	\$8,000	\$6,000	\$5,000

16 (18) This section is repealed, effective ~~December 31, 2026~~
 17 DECEMBER 31, 2030.

18 **SECTION 3. Act subject to petition - effective date.** This act
 19 takes effect at 12:01 a.m. on the day following the expiration of the
 20 ninety-day period after final adjournment of the general assembly (August
 21 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
 22 referendum petition is filed pursuant to section 1 (3) of article V of the
 23 state constitution against this act or an item, section, or part of this act
 24 within such period, then the act, item, section, or part will not take effect
 25 unless approved by the people at the general election to be held in
 26 November 2020 and, in such case, will take effect on the date of the
 27 official declaration of the vote thereon by the governor.