

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 20-0766.01 Pierce Lively x2059

SENATE BILL 20-050

SENATE SPONSORSHIP

Woodward,

HOUSE SPONSORSHIP

(None),

Senate Committees
Finance

House Committees

A BILL FOR AN ACT

101 CONCERNING A STATE INCOME TAX CREDIT RELATED TO ELIGIBLE
102 EDUCATORS' PERSONAL EXPENSES.

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>.)

Currently, under the federal educator expense deduction, an eligible educator can claim a deduction, not to exceed \$250, for the purchase of school supplies and certain professional development courses.

The bill creates a state income tax credit for an eligible educator for the purchase of school supplies that qualify for the deduction that

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.

exceeds \$250 but are less than \$750. The amount of the credit that exceeds the educator's income taxes is refunded to the educator.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-543 as
3 follows:

4 **39-22-543. Credit for eligible educators' purchases of**
5 **classroom supplies - legislative declaration - definitions - repeal.**

6 (1) THE GENERAL ASSEMBLY DECLARES THAT THE PURPOSE OF THE TAX
7 EXPENDITURE IN THIS SECTION IS TO REIMBURSE ELIGIBLE EDUCATORS FOR
8 CERTAIN OUT-OF-POCKET COSTS INCURRED IN EDUCATING THE STATE'S
9 K-12 STUDENTS.

10 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
11 REQUIRES:

12 (a) "ELIGIBLE EDUCATOR" MEANS AN INDIVIDUAL WHO IS
13 QUALIFIED AS AN ELIGIBLE EDUCATOR UNDER THE FEDERAL EDUCATOR
14 EXPENSE DEDUCTION, 26 U.S.C. SEC. 62 (d)(1), AS AMENDED.

15 (b) "QUALIFYING EXPENSES" MEANS THE EXPENSES DESCRIBED IN
16 26 U.S.C. SEC. 62 (a)(2)(D)(ii), AS AMENDED.

17 (3) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
18 JANUARY 1, 2020, BUT PRIOR TO JANUARY 1, 2025, AN ELIGIBLE
19 EDUCATOR IS ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED
20 BY THIS ARTICLE 22 IN AN AMOUNT EQUAL TO THE EDUCATOR'S
21 QUALIFYING EXPENSES IN EXCESS OF TWO HUNDRED FIFTY DOLLARS BUT
22 NOT EXCEEDING SEVEN HUNDRED FIFTY DOLLARS.

23 (b) THE AMOUNT OF THE CREDIT UNDER THIS SECTION THAT
24 EXCEEDS THE ELIGIBLE EDUCATOR'S INCOME TAXES DUE IS REFUNDED TO
25 THE EDUCATOR.

1 (4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2028.

2 **SECTION 2. Act subject to petition - effective date.** This act
3 takes effect at 12:01 a.m. on the day following the expiration of the
4 ninety-day period after final adjournment of the general assembly (August
5 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
6 referendum petition is filed pursuant to section 1 (3) of article V of the
7 state constitution against this act or an item, section, or part of this act
8 within such period, then the act, item, section, or part will not take effect
9 unless approved by the people at the general election to be held in
10 November 2020 and, in such case, will take effect on the date of the
11 official declaration of the vote thereon by the governor.