

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING MODIFICATION OF THE COLORADO AFFORDABLE HOUSING TAX CREDIT, AND, IN CONNECTION THEREWITH, EXTENDING THE TIME DURING WHICH THE CREDIT MAY BE CLAIMED AND INCREASING THE YEARLY AMOUNT OF CREDITS THAT CAN BE ALLOCATED.

Prime Sponsors: Reps. Bird and McKean
Sens. Zenzinger and Hisey

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Appropriation Items of Note

Appropriation Not Required, Amendment in Packet

General Fund/TABOR Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 03/08/22.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
L.002	Bill Sponsor amendment - changes future revenue impact

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2022-23.

Description of Amendments in This Packet

L.002 Bill Sponsor amendment **L.002** (attached) amends the bill to keep the tax credit allocation at the current level of \$10.0 million annually instead of increasing to \$15.0 million beginning on January 1, 2023, and shortens the period for which the credits are available from 2034 to 2031. LCS Staff and JBC Staff agree on this assessment.

Points to Consider*TABOR/ Excess State Revenues Impact*

The March 2022 Legislative Council Staff (LCS) revenue forecast projects a TABOR surplus liability of \$1.6 billion for FY 2022-23 and \$622.6 million for FY 2023-24. These sums must be refunded to taxpayers out of the General Fund. This bill is estimated to decrease General Fund revenues by \$375,000 in FY 2023-24, which will result in a decrease in the TABOR surplus liability of an equal amount.

Sponsor Amendment **L.002** eliminates the FY 2023-24 General Fund decrease and corresponding decrease in TABOR surplus liability.