

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

INTRODUCED

LLS NO. 23-0259.01 Alison Killen x4350

SENATE BILL 23-030

SENATE SPONSORSHIP

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Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 **CONCERNING A STATE INCOME TAX CREDIT FOR AN ELIGIBLE**
102 **EDUCATOR'S CLASSROOM 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>.)

For 5 income tax years beginning in 2023, the bill creates a refundable state income tax credit for a Colorado teacher or classroom paraprofessional (eligible educator) for their classroom expenses. An eligible educator cannot claim the credit for an expense that the educator claims as a federal educator expense deduction for purposes of the educator's federal income tax, and the maximum amount of the credit per

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.

income tax year is \$500.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-549 as
3 follows:

4 **39-22-549. Credit - eligible educators - classroom expenses -**
5 **tax preference performance statement - legislative declaration -**
6 **definitions - repeal.** (1) THE GENERAL ASSEMBLY DECLARES THAT THE
7 PURPOSE OF THE TAX CREDIT CREATED IN THIS SECTION IS TO PROVIDE TAX
8 RELIEF FOR ELIGIBLE EDUCATORS. THE GENERAL ASSEMBLY AND THE
9 STATE AUDITOR SHALL MEASURE THE EFFECTIVENESS OF THE CREDIT IN
10 ACHIEVING THIS PURPOSE BASED ON THE NUMBER OF CREDITS THAT ARE
11 CLAIMED.

12 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
13 REQUIRES:

14 (a) "CLASSROOM EXPENSES" MEANS ANY EXPENSE PAID OR
15 INCURRED BY AN ELIGIBLE EDUCATOR FOR BOOKS; SUPPLIES, OTHER THAN
16 NONATHLETIC SUPPLIES FOR COURSES OF INSTRUCTION IN HEALTH OR
17 PHYSICAL EDUCATION; COMPUTER EQUIPMENT, INCLUDING RELATED
18 SOFTWARE AND SERVICES AND OTHER EQUIPMENT; AND SUPPLEMENTARY
19 MATERIALS USED BY THE ELIGIBLE EDUCATOR IN THE CLASSROOM; EXCEPT
20 THAT THE TERM EXCLUDES ANY EXPENSE FOR WHICH AN ELIGIBLE
21 EDUCATOR IS REIMBURSED OR CLAIMS A DEDUCTION UNDER THE FEDERAL
22 EDUCATOR EXPENSE DEDUCTION, 26 U.S.C. SEC. 62(a)(2)(D), AS
23 AMENDED.

24 (b) "ELIGIBLE EDUCATOR" MEANS A RESIDENT INDIVIDUAL WHO IS
25 A KINDERGARTEN THROUGH TWELFTH GRADE TEACHER OR CLASSROOM

1 PARAPROFESSIONAL AND WHO IS IN A SCHOOL FOR AT LEAST NINE
2 HUNDRED HOURS DURING A SCHOOL YEAR.

3 (3) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
4 JANUARY 1, 2023, BUT PRIOR TO JANUARY 1, 2028, AN ELIGIBLE
5 EDUCATOR IS ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED
6 BY THIS ARTICLE 22 IN AN AMOUNT EQUAL TO THE ELIGIBLE EDUCATOR'S
7 CLASSROOM EXPENSES FOR THE TAXABLE YEAR; EXCEPT THAT THE
8 MAXIMUM AMOUNT OF THE CREDIT FOR AN INCOME TAX YEAR IS FIVE
9 HUNDRED DOLLARS. ELIGIBLE EDUCATORS WHO FILE A JOINT RETURN MAY
10 EACH CLAIM THE FULL CREDIT.

11 (b) THE AMOUNT OF THE CREDIT UNDER THIS SECTION THAT
12 EXCEEDS THE ELIGIBLE EDUCATOR'S INCOME TAXES DUE IS REFUNDED TO
13 THE ELIGIBLE EDUCATOR.

14 (4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2037.

15 **SECTION 2. Act subject to petition - effective date.** This act
16 takes effect at 12:01 a.m. on the day following the expiration of the
17 ninety-day period after final adjournment of the general assembly; except
18 that, if a referendum petition is filed pursuant to section 1 (3) of article V
19 of the state constitution against this act or an item, section, or part of this
20 act within such period, then the act, item, section, or part will not take
21 effect unless approved by the people at the general election to be held in
22 November 2023 and, in such case, will take effect on the date of the
23 official declaration of the vote thereon by the governor.