

CHAPTER 280

TAXATION

SENATE BILL 23-196

BY SENATOR(S) Winter F., Bridges, Buckner, Coleman, Cutter, Exum, Gardner, Ginal, Gonzales, Hansen, Hinrichsen, Jaquez Lewis, Kolker, Lundeen, Marchman, Mullica, Priola, Simpson, Smallwood, Sullivan, Van Winkle, Zenzinger; also REPRESENTATIVE(S) Young and Ricks, Bird, Boesenecker, Brown, English, Froelich, Hamrick, Herod, Joseph, Kipp, Lieder, Lindsay, Michaelson Jenet, Snyder, Story, Titone, Willford.

AN ACT**CONCERNING AN EXTENSION OF THE INCOME TAX CREDIT FOR RETROFITTING A RESIDENCE TO INCREASE THE RESIDENCE'S VISITABILITY.**

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

SECTION 1. In Colorado Revised Statutes, 39-22-541, **amend** (1), (3)(a)(I), (4), (5) introductory portion, and (6) as follows:

39-22-541. Credit for retrofitting a residence to increase a residence's visitability - tax preference performance statement - legislative declaration - definitions - repeal. (1) ~~The general assembly hereby finds and declares that the intended purpose of the tax credit created in this section is to make retrofitting a residence for health, welfare, and safety reasons more affordable.~~ IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH REQUIRES ANY BILL THAT CREATES A NEW TAX EXPENDITURE OR EXTENDS AN EXPIRING TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) THE GENERAL LEGISLATIVE PURPOSE OF THE TAX CREDIT ALLOWED BY THIS SECTION IS TO PROVIDE TAX RELIEF FOR CERTAIN INDIVIDUALS;

(b) THE SPECIFIC LEGISLATIVE PURPOSE OF THE TAX CREDIT ALLOWED BY THIS SECTION IS TO MAKE RETROFITTING A RESIDENCE FOR HEALTH, WELFARE, AND SAFETY REASONS MORE AFFORDABLE; AND

(c) THE CREDIT CERTIFICATES REQUIRED FROM THE DIVISION OF HOUSING PURSUANT TO SUBSECTION (3)(b)(I) OF THIS SECTION WILL ALLOW THE GENERAL

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

ASSEMBLY AND THE STATE AUDITOR TO MEASURE THE EFFECTIVENESS OF THE CREDIT IN ACHIEVING ITS PURPOSE BASED ON THE NUMBER AND AMOUNT OF CREDITS THAT ARE CLAIMED.

(3) (a) (I) Except as provided in subsection (3)(b)(III) of this section, for income tax years commencing on or after January 1, 2019, but prior to ~~January 1, 2024~~ JANUARY 1, 2029, a qualified individual who retrofits or hires someone to retrofit the qualified individual's residence and who meets any additional requirements established by the division of housing is allowed a credit against the income taxes imposed by this article 22 in an amount equal to the cost of the retrofit or five thousand dollars per residence, whichever is less. Only one credit is allowed per residence; except that if a retrofit is required for the qualified individual and for one or more dependents residing in the qualified individual's residence or a retrofit is required for more than one dependent residing in the qualified individual's residence, then a credit is allowed in an amount equal to the cost of the retrofit or five thousand dollars per individual for whom the retrofit is required, whichever is less.

(4) If the amount of the credit allowed in this section exceeds the amount of income taxes otherwise due on the qualified individual's income in the income tax year for which the credit is being claimed, the amount of the credit not used as an offset against income taxes in the current income tax year may be carried forward and used as a credit against subsequent years' income tax liability for a period not to exceed ~~five~~ EIGHT years and must be applied first to the earliest income tax years possible. Any credit remaining after the period may not be refunded or credited to the qualified individual.

(5) No later than January 1, 2020, and no later than January 1 of each year thereafter through ~~January 1, 2024~~ JANUARY 1, 2029, the division of housing shall provide the department of revenue with an electronic report of the taxpayers receiving a credit certificate as allowed in this section for the previous calendar year that includes the following information:

(6) This section is repealed, effective ~~December 31, 2028~~ DECEMBER 31, 2041.

SECTION 2. 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; 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 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 30, 2023