**PREAMENDED**

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

LLS NO. 24-0944.01 Jessica Herrera x4218     **HOUSE BILL 24-1312**

## HOUSE SPONSORSHIP

**Sirota and Garcia,**

## SENATE SPONSORSHIP

**Rodriguez,**

| House Committees | Senate Committees |
|---|---|
| Finance | |
| Appropriations | |

## A BILL FOR AN ACT

101    **CONCERNING A STATE INCOME TAX CREDIT FOR INDIVIDUALS IN THE**

102         **CARE WORKFORCE.**

### 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 creates a refundable income tax credit that is available for income tax years commencing on or after January 1, 2024, but prior to January 1, 2029, for a qualifying resident individual (individual) working in the care workforce in the amount of $1,500.

To be eligible for the credit, an individual must:
- Have an annual gross income of no more than $75,000 as

a single filer or $150,000 as a joint filer;

- Be employed in the care workforce as a child care worker, home health-care worker, personal care aide, certified nursing assistant, or other qualifying personal care worker including a family member, friend, and neighbor who provides care; and
- File a signed attestation stating that the taxpayer claiming the credit worked in a qualifying occupation in the state for at least 6 months of the tax year.

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

2    **SECTION 1.**  In Colorado Revised Statutes, **add** 39-22-560 as

3    follows:

4    **39-22-560.  Qualified care worker tax credit - tax preference**

5    **performance statement - legislative declaration - definitions - repeal.**

6    (1) (a)  IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH REQUIRES

7    EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE A TAX

8    PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY

9    LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY DECLARES THAT THE

10   GENERAL LEGISLATIVE PURPOSE OF THE TAX CREDIT ALLOWED BY THIS

11   SECTION IS TO PROVIDE TAX RELIEF FOR CERTAIN BUSINESSES OR

12   INDIVIDUALS AND THAT THE SPECIFIC LEGISLATIVE PURPOSE OF THE TAX

13   CREDIT ALLOWED BY THIS SECTION IS TO PROVIDE TAX RELIEF TO

14   INDIVIDUALS WORKING IN THE CARE WORKFORCE PROVIDING DIRECT CARE.

15   (b)  THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL

16   MEASURE THE EFFECTIVENESS OF THE CREDIT IN ACHIEVING THE PURPOSE

17   SPECIFIED IN SUBSECTION (1)(a) OF THIS SECTION BASED ON THE NUMBER

18   AND VALUE OF CREDITS THAT ARE CLAIMED.

19   (2)  AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE

20   REQUIRES:

1 "(a) "ELIGIBLE PROGRAM" MEANS EITHER AN EARLY CHILDHOOD
2 EDUCATION PROGRAM AS DEFINED IN SECTION 26.5-2-202 (3) OR A
3 LICENSED FAMILY CHILD CARE HOME. AN ELIGIBLE PROGRAM MUST ALSO
4 HOLD AT LEAST A LEVEL ONE QUALITY RATING PURSUANT TO THE
5 COLORADO SHINES QUALITY RATING AND IMPROVEMENT SYSTEM DURING
6 THE INCOME TAX YEAR IN WHICH THE CREDIT IS ALLOWED.
7 (b) "FAMILY CHILD CARE HOME" HAS THE SAME MEANING AS SET
8 FORTH IN SECTION 26.5-5-303 (7).
9 (c) "QUALIFIED HOME HEALTH-CARE WORKER" MEANS AN
10 EMPLOYEE OR CONTRACTOR EMPLOYED FOR THE PURPOSES OF PROVIDING
11 HOME HEALTH CARE WHO HAS EARNED A MINIMUM OF SEVEN THOUSAND
12 DOLLARS IN WAGES PERFORMING HOME HEALTH CARE DURING THE PRIOR
13 TAX YEAR.
14 (d) "QUALIFIED PERSONAL CARE WORKER" MEANS AN EMPLOYEE
15 OR CONTRACTOR EMPLOYED FOR THE PURPOSES OF PROVIDING PERSONAL
16 CARE SERVICES AS DEFINED IN SECTION 25-27.5-102 (6) WHO HAS EARNED
17 A MINIMUM OF SEVEN THOUSAND DOLLARS IN WAGES PERFORMING
18 PERSONAL CARE SERVICES DURING THE PRIOR TAX YEAR.
19 (e) "QUALIFIED TAXPAYER" MEANS A RESIDENT INDIVIDUAL
20 WORKING IN THE CARE WORKFORCE AS A HOME HEALTH-CARE WORKER,
21 OR A PERSONAL CARE AIDE PROVIDING PERSONAL CARE SERVICES, AS
22 DEFINED IN SECTION 25-27.5-102 (6), A CERTIFIED NURSING AIDE,
23 ANOTHER QUALIFYING PERSONAL CARE WORKER, OR A CHILD CARE
24 WORKER WHO HAS BEEN EITHER THE LICENSEE OF AN ELIGIBLE PROGRAM
25 OR EMPLOYED BY AN ELIGIBLE PROGRAM FOR AT LEAST SIX MONTHS OF
26 THE INCOME TAX YEAR, OR AN INFORMAL FAMILY FRIEND OR NEIGHBOR
27 CHILD CARE WORKER AS DESCRIBED IN SECTION 26.5-5-304 (1)(f) WHO

1 NOTWITHSTANDING THE REQUIREMENT OF SUBSECTION (3)(b)(II) OF THIS

2 SECTION, PROVIDES CARES AT LEAST TWENTY HOURS A WEEK DURING AT

3 LEAST THIRTY-SIX WEEKS OF THE PRECEDING YEAR OR AT LEAST SEVEN

4 HUNDRED AND TWENTY TOTAL HOURS IN THE PRECEDING YEAR CARING

5 FOR CHILDREN OTHER THAN THEIR OWN, AND WHO IS REGISTERED WITH

6 THE DEPARTMENT OF EARLY CHILDHOOD'S COLORADO SHINES

7 PROFESSIONAL DEVELOPMENT INFORMATION SYSTEM (PDIS).

8 (3) (a) SUBJECT TO THE REQUIREMENTS SET FORTH IN SUBSECTION

9 (3)(b) OF THIS SECTION, FOR INCOME TAX YEARS COMMENCING ON OR

10 AFTER JANUARY 1, 2025, BUT BEFORE JANUARY 1, 2030, A QUALIFIED

11 TAXPAYER, INCLUDING A RESIDENT INDIVIDUAL WHO DOES NOT HAVE A

12 SOCIAL SECURITY NUMBER THAT IS VALID FOR EMPLOYMENT AND IS

13 ISSUED AN INDIVIDUAL TAXPAYER IDENTIFICATION NUMBER, IS ALLOWED

14 A CREDIT AGAINST THE INCOME TAXES IMPOSED BY THIS ARTICLE 22 IN AN

15 AMOUNT OF ONE THOUSAND FIVE HUNDRED DOLLARS DURING THE

16 APPLICABLE INCOME TAX YEAR FOR WHICH THE CREDIT IS CLAIMED.

17 (b) TO QUALIFY FOR THE CREDIT PROVIDED BY THIS SECTION, THE

18 QUALIFIED TAXPAYER MUST:

19 (I) HAVE AN ADJUSTED GROSS INCOME OF NO MORE THAN

20 SEVENTY-FIVE THOUSAND DOLLARS AS A SINGLE FILER OR ONE HUNDRED

21 FIFTY THOUSAND DOLLARS AS A JOINT FILER; AND

22

23 (4) (a) THE DEPARTMENT OF REVENUE MAY REQUIRE SUPPORTING

24 DOCUMENTATION VERIFYING THAT THE TAXPAYER IS A QUALIFIED

25 TAXPAYER.

26 (b) NO LATER THAN JANUARY 1, 2026, AND EACH JANUARY 1

27 THEREAFTER THROUGH JANUARY 1, 2030, THE DEPARTMENT OF EARLY

CHILDHOOD MUST PROVIDE THE DEPARTMENT OF REVENUE WITH AN ELECTRONIC REPORT OF EACH INDIVIDUAL WHO IS REGISTERED WITH THE DEPARTMENT OF EARLY CHILDHOOD'S COLORADO SHINES PROFESSIONAL DEVELOPMENT INFORMATION SYSTEM (PDIS) DURING THE PREVIOUS CALENDAR YEAR FOR WHICH THE CREDIT IS ALLOWED.

(5) AN ENTITY OR INDIVIDUAL THAT EMPLOYS OR CONTRACTS A HOME HEALTH-CARE WORKER OR A PERSONAL CARE WORKER MUST SUBMIT A ROSTER OF ANY SUCH EMPLOYEE AND CONTRACTOR TO THE DEPARTMENT OF REVENUE ON OR BY JANUARY 31 WITH THE FOLLOWING INFORMATION:

(a) THE EMPLOYEE'S OR CONTRACTOR'S FEDERAL TAX IDENTIFICATION NUMBER OR SOCIAL SECURITY NUMBER; AND

(b) THE EMPLOYEE'S OR CONTRACTOR'S TOTAL WAGES EARNED IN THE PRIOR TAX YEAR.

(6) IF A CREDIT AUTHORIZED BY THIS SECTION EXCEEDS THE INCOME TAX DUE ON THE INCOME OF THE QUALIFIED TAXPAYER, THE EXCESS TAX CREDIT MAY NOT BE CARRIED FORWARD AND IS REFUNDED TO THE TAXPAYER.

(7) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2035.

**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

1     November 2024 and, in such case, will take effect on the date of the

2     official declaration of the vote thereon by the governor.