

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

**REENGROSSED**

*This Version Includes All Amendments  
Adopted in the House of Introduction*

LLS NO. 24-1128.01 Caroline Martin x5902

**HOUSE BILL 24-1434**

---

**HOUSE SPONSORSHIP**

**Bird and Weinberg**, Amabile, Bacon, Boesenecker, Brown, Daugherty, deGruy Kennedy, Duran, English, Froelich, Hamrick, Herod, Joseph, Kipp, Lieder, Lindsay, Lindstedt, Lukens, Mabrey, Marvin, Mauro, McCluskie, McCormick, McLachlan, Ortiz, Ricks, Rutinel, Sirota, Snyder, Titone, Valdez, Vigil, Weissman, Woodrow, Young

**SENATE SPONSORSHIP**

**Zenzinger and Simpson**,

---

**House Committees**

Finance  
Appropriations

**Senate Committees**

---

**A BILL FOR AN ACT**

101 **CONCERNING AN EXPANSION TO THE AFFORDABLE HOUSING TAX**  
102 **CREDIT.**

---

**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 expands the affordable housing tax credit by increasing the credit amounts that the Colorado housing and finance authority (authority) may allocate to qualified taxpayers by the following amounts:

- \$20,000,000 for credits allocated in 2024;
- \$20,000,000 for credits allocated in 2025;
- \$20,000,000 for credits allocated in 2026;

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters or bold & italic numbers indicate new material to be added to existing law.*  
*Dashes through the words or numbers indicate deletions from existing law.*

HOUSE  
Amended 3rd Reading  
May 1, 2024

HOUSE  
Amended 2nd Reading  
April 30, 2024

- \$16,000,000 for credits allocated in 2027;
- \$16,000,000 for credits allocated in 2028;
- \$16,000,000 for credits allocated in 2029;
- \$10,000,000 for credits allocated in 2030; and
- \$10,000,000 for credits allocated in 2031.

The bill also accelerates the credit by requiring that a qualified taxpayer claim 70% of the total amount of the credit awarded by the authority in the first year of the credit period and claim 6% of the total amount of the credit awarded by the authority in each of the second through sixth years of the credit period.

---

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

**SECTION 1.** In Colorado Revised Statutes, 39-22-2102, **repeal** (2)(b); and **add** (7)(a.7) and (7.5) as follows:

**39-22-2102. Credit against tax - affordable housing developments - legislative declaration.** (2) The authority may allocate a credit to an owner of a qualified development by issuing to the owner an allocation certificate. The authority may determine the time at which such allocation certificate is issued. The credit shall be in an amount determined by the authority, subject to the following guidelines:

(b) ~~In no event shall a credit exceed thirty percent of the qualified basis of the qualified development;~~

(7) During each calendar year of the period beginning January 1, 2015, and ending December 31, 2031, the authority may allocate a credit, the full amount of which may be claimed against the taxes imposed by this article 22 for each taxable year of the six-year credit period. The aggregate amount of all credits allocated by the authority in each calendar year of the period beginning January 1, 2015, and ending December 31, 2031, shall not exceed the amount of:

(a.7) IN ADDITION TO THE AMOUNTS DESCRIBED IN SUBSECTION (7)(a.5) OF THIS SECTION:

1 (I) TWENTY MILLION DOLLARS FOR CREDITS ALLOCATED IN  
2 CALENDAR YEAR 2024, PURSUANT TO SUBSECTION (1) OF THIS SECTION  
3 AND SECTION 39-22-2105 COMBINED;

4 (II) TWENTY MILLION DOLLARS FOR CREDITS ALLOCATED IN  
5 CALENDAR YEAR 2025, PURSUANT TO SUBSECTION (1) OF THIS SECTION  
6 AND SECTION 39-22-2105 COMBINED;

7 (III) TWENTY MILLION DOLLARS FOR CREDITS ALLOCATED IN  
8 CALENDAR YEAR 2026, PURSUANT TO SUBSECTION (1) OF THIS SECTION  
9 AND SECTION 39-22-2105 COMBINED;

10 (IV) SIXTEEN MILLION DOLLARS FOR CREDITS ALLOCATED IN  
11 CALENDAR YEAR 2027, PURSUANT TO SUBSECTION (1) OF THIS SECTION  
12 AND SECTION 39-22-2105 COMBINED;

13 (V) SIXTEEN MILLION DOLLARS FOR CREDITS ALLOCATED IN  
14 CALENDAR YEAR 2028, PURSUANT TO SUBSECTION (1) OF THIS SECTION  
15 AND SECTION 39-22-2105 COMBINED;

16 (VI) SIXTEEN MILLION DOLLARS FOR CREDITS ALLOCATED IN  
17 CALENDAR YEAR 2029, PURSUANT TO SUBSECTION (1) OF THIS SECTION  
18 AND SECTION 39-22-2105 COMBINED;

19 (VII) TEN MILLION DOLLARS FOR CREDITS ALLOCATED IN  
20 CALENDAR YEAR 2030, PURSUANT TO SUBSECTION (1) OF THIS SECTION  
21 AND SECTION 39-22-2105 COMBINED; AND

22 (VIII) TEN MILLION DOLLARS FOR CREDITS ALLOCATED IN  
23 CALENDAR YEAR 2031, PURSUANT TO SUBSECTION (1) OF THIS SECTION  
24 AND SECTION 39-22-2105 COMBINED;

25 (7.5) A QUALIFIED TAXPAYER SHALL NOT CLAIM A CREDIT  
26 ALLOCATED AS PART OF THE CREDITS AVAILABLE PURSUANT TO  
27 SUBSECTION (7)(a.7) OF THIS SECTION RATABLY OVER THE CREDIT PERIOD.

1 INSTEAD, SUCH A CREDIT MUST BE ACCELERATED AND THE FULL AMOUNT  
2 MUST BE CLAIMED AGAINST THE TAXES IMPOSED BY THIS ARTICLE 22 OVER  
3 THE CREDIT PERIOD ACCORDING TO THE FOLLOWING SCHEDULE:

4 (a) THE AMOUNT OF THE CREDIT ALLOCATED AS PART OF THE  
5 CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION  
6 THAT A QUALIFIED TAXPAYER CLAIMS IN THE FIRST YEAR OF THE CREDIT  
7 PERIOD MUST EQUAL SEVENTY PERCENT OF THE TOTAL AMOUNT OF THAT  
8 CREDIT THAT THE AUTHORITY ALLOCATES TO THE QUALIFIED TAXPAYER;  
9 AND

10 (b) THE AMOUNT OF THE CREDIT ALLOCATED AS PART OF THE  
11 CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION  
12 THAT A QUALIFIED TAXPAYER CLAIMS IN THE SECOND YEAR THROUGH  
13 SIXTH YEAR OF THE CREDIT PERIOD MUST EACH YEAR EQUAL SIX PERCENT  
14 OF THE TOTAL AMOUNT OF THAT CREDIT THAT THE AUTHORITY ALLOCATES  
15 TO THE QUALIFIED TAXPAYER.

16 **SECTION 2.** In Colorado Revised Statutes, **add** part 54 to article  
17 22 of title 39 as follows:

18 **PART 54**

19 **COLORADO AFFORDABLE HOUSING IN**

20 **TRANSIT-ORIENTED COMMUNITIES INCOME TAX CREDIT**

21 **39-22-5401. Tax preference performance statement.** (1) IN  
22 ACCORDANCE WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL  
23 THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE  
24 PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE  
25 DECLARATION, THE GENERAL ASSEMBLY FINDS AND DECLARES THAT THE  
26 PURPOSE OF THE TAX CREDIT PROVIDED IN THIS SECTION IS TO INDUCE  
27 CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS BY SUPPORTING THE

1 DEVELOPMENT OF AFFORDABLE HOUSING WITHIN TRANSIT-ORIENTED  
2 COMMUNITIES.

3 (2) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL  
4 MEASURE THE EFFECTIVENESS OF THE CREDIT IN ACHIEVING THE PURPOSE  
5 SPECIFIED IN SUBSECTION (1) OF THIS SECTION BASED ON THE NUMBER AND  
6 VALUE OF CREDITS ISSUED AND HOUSING UNITS BUILT.

7 **39-22-5402. Definitions.** AS USED IN THIS PART 54, UNLESS THE  
8 CONTEXT OTHERWISE REQUIRES:

9 (1) "ALLOCATION CERTIFICATE" MEANS A STATEMENT ISSUED BY  
10 THE AUTHORITY CERTIFYING THAT A GIVEN DEVELOPMENT QUALIFIES FOR  
11 THE CREDIT AND SPECIFYING THE AMOUNT OF THE CREDIT ALLOWED.

12 (2) "ALLOCATION PLAN" MEANS AN ALLOCATION PLAN ADOPTED  
13 BY THE AUTHORITY THAT GOVERNS THE SELECTION CRITERIA AND  
14 PREFERENCES FOR ALLOCATING THE TAX CREDIT ALLOWED PURSUANT TO  
15 THIS PART 54.

16 (3) "AUTHORITY" MEANS THE COLORADO HOUSING AND FINANCE  
17 AUTHORITY CREATED PURSUANT TO SECTION 29-4-704.

18 (4) "CERTIFIED TRANSIT-ORIENTED COMMUNITY" MEANS:

19 (a) IN CALENDAR YEARS 2025, 2026, AND 2027, A  
20 TRANSIT-ORIENTED COMMUNITY AS DEFINED IN SECTION 29-35-202 (13);  
21 AND

22 (b) IN CALENDAR YEAR 2028 AND EACH SUBSEQUENT CALENDAR  
23 YEAR, A TRANSIT-ORIENTED COMMUNITY, AS DEFINED IN SECTION  
24 29-35-202 (13), THAT HAS BOTH SUBMITTED THE HOUSING OPPORTUNITY  
25 GOAL REPORT DESCRIBED IN SECTION 29-35-204 (10) TO THE DIVISION AND  
26 HAD THE DIVISION CONFIRM THAT THE TRANSIT-ORIENTED COMMUNITY  
27 HAS MET ITS HOUSING OPPORTUNITY GOAL.

1 (5) "COMPLIANCE PERIOD" MEANS THE PERIOD OF FIFTEEN YEARS  
2 BEGINNING WITH THE FIRST TAXABLE YEAR OF A CREDIT PERIOD.

3 (6) "CREDIT" MEANS THE COLORADO TRANSIT-ORIENTED  
4 COMMUNITY HOUSING INCOME TAX CREDIT ALLOWED PURSUANT TO THIS  
5 PART 54.

6 (7) "CREDIT PERIOD" MEANS THE PERIOD OF FIVE INCOME TAX  
7 YEARS BEGINNING WITH THE INCOME TAX YEAR IN WHICH A QUALIFIED  
8 DEVELOPMENT IS PLACED IN SERVICE. IF A QUALIFIED DEVELOPMENT IS  
9 COMPRISED OF MORE THAN ONE BUILDING, THE DEVELOPMENT IS DEEMED  
10 TO BE PLACED IN SERVICE IN THE INCOME TAX YEAR DURING WHICH THE  
11 LAST BUILDING OF THE QUALIFIED DEVELOPMENT IS PLACED IN SERVICE.

12 (8) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

13 (9) "DIVISION" MEANS THE DIVISION OF LOCAL GOVERNMENT OF  
14 THE DEPARTMENT OF LOCAL AFFAIRS CREATED IN SECTION 24-32-103.

15 (10) "FEDERAL TAX CREDIT" MEANS THE FEDERAL LOW-INCOME  
16 HOUSING TAX CREDIT PROVIDED BY SECTION 42 OF THE INTERNAL  
17 REVENUE CODE.

18 (11) "METROPOLITAN PLANNING ORGANIZATION" HAS THE SAME  
19 MEANING AS SET FORTH IN SECTION 29-35-103 (12).

20 (12) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET  
21 FORTH IN SECTION 29-35-202 (5).

22 (13) "QUALIFIED BASIS" MEANS THE QUALIFIED BASIS OF THE  
23 DEVELOPMENT AS DETERMINED PURSUANT TO SECTION 42 OF THE  
24 INTERNAL REVENUE CODE.

25 (14) "QUALIFIED DEVELOPMENT" MEANS A "QUALIFIED  
26 LOW-INCOME HOUSING PROJECT", AS THAT TERM IS DEFINED IN SECTION 42  
27 OF THE INTERNAL REVENUE CODE, THAT IS:

1 (a) LOCATED IN COLORADO;

2 (b) DETERMINED BY THE AUTHORITY TO BE ELIGIBLE FOR A  
3 FEDERAL TAX CREDIT WHETHER OR NOT A FEDERAL TAX CREDIT IS  
4 ALLOCATED WITH RESPECT TO SAID DEVELOPMENT; AND

5 (c) LOCATED IN A TRANSIT-ORIENTED CENTER WITHIN A CERTIFIED  
6 TRANSIT-ORIENTED COMMUNITY OR IN A NEIGHBORHOOD CENTER WITHIN  
7 A METROPOLITAN PLANNING ORGANIZATION.

8 (15) "QUALIFIED TAXPAYER" MEANS AN INDIVIDUAL, A PERSON,  
9 FIRM, CORPORATION, OR OTHER ENTITY THAT OWNS AN INTEREST, DIRECT  
10 OR INDIRECT, IN A QUALIFIED DEVELOPMENT AND IS SUBJECT TO THE  
11 TAXES IMPOSED BY THIS ARTICLE 22.

12 (16) "TRANSIT CENTER" HAS THE SAME MEANING AS SET FORTH IN  
13 SECTION 29-35-202 (11).

14 **39-22-5403. Credit against tax - affordable housing located in**  
15 **a transit-oriented community.** (1) FOR INCOME TAX YEARS DURING THE  
16 CREDIT PERIOD, THERE IS ALLOWED TO ANY QUALIFIED TAXPAYER A  
17 CREDIT WITH RESPECT TO THE INCOME TAXES IMPOSED BY THIS ARTICLE  
18 22 IN THE AMOUNT DETERMINED BY THE AUTHORITY PURSUANT TO THIS  
19 PART 54.

20 (2) THE AGGREGATE AMOUNT OF CREDITS ALLOCATED BY THE  
21 AUTHORITY IN EACH OF THE 2025 THROUGH 2029 CALENDAR YEARS, MUST  
22 NOT EXCEED THE AGGREGATE AMOUNT OF:

23 (a) CREDITS AUTHORIZED AS FOLLOWS:

24 (I) FOR THE 2025 CALENDAR YEAR, EIGHT MILLION SIX HUNDRED  
25 THOUSAND DOLLARS;

26 (II) FOR THE 2026 CALENDAR YEAR, SEVEN MILLION TWO  
27 HUNDRED THOUSAND DOLLARS;

1 (III) FOR THE 2027 CALENDAR YEAR, FIVE MILLION SIX HUNDRED  
2 THOUSAND DOLLARS;

3 (IV) FOR THE 2028 CALENDAR YEAR, FIVE MILLION DOLLARS; AND

4 (V) FOR THE 2029 CALENDAR YEAR, THREE MILLION SIX HUNDRED  
5 THOUSAND DOLLARS; PLUS

6 (b) UNALLOCATED CREDITS, IF ANY, FOR THE IMMEDIATELY  
7 PRECEDING CALENDAR YEAR; AND

8 (c) ANY CREDIT RECAPTURED OR OTHERWISE RETURNED TO THE  
9 AUTHORITY IN THE CALENDAR YEAR.

10 (3) THE AUTHORITY MAY ALLOCATE A CREDIT TO AN OWNER OF A  
11 QUALIFIED DEVELOPMENT BY ISSUING TO THE OWNER AN ALLOCATION  
12 CERTIFICATE. THE AUTHORITY MAY DETERMINE THE TIME AT WHICH SUCH  
13 ALLOCATION CERTIFICATE IS ISSUED. THE CREDIT MUST BE IN AN AMOUNT  
14 DETERMINED BY THE AUTHORITY, SUBJECT TO THE FOLLOWING  
15 GUIDELINES:

16 (a) THE CREDIT MUST BE NECESSARY FOR THE FINANCIAL  
17 FEASIBILITY OF SUCH DEVELOPMENT;

18 (b) ALL ALLOCATIONS MUST BE MADE PURSUANT TO THE  
19 ALLOCATION PLAN; AND

20 (c) THE AGGREGATE SUM OF CREDITS ALLOCATED ANNUALLY  
21 MUST NOT EXCEED THE LIMITS SET FORTH IN SUBSECTION (2) OF THIS  
22 SECTION.

23 (4) (a) ON OR AFTER JANUARY 1, 2025, BUT PRIOR TO DECEMBER  
24 31, 2029, THE AUTHORITY MAY ALLOCATE A TOTAL AMOUNT OF THIRTY  
25 MILLION DOLLARS IN CREDITS.

26 (b) THE TAXPAYER SHALL NOT CLAIM THE CREDIT RATABLY OVER  
27 THE CREDIT PERIOD. INSTEAD, THE CREDIT MUST BE ACCELERATED AND



1 THE FULL AMOUNT MUST BE CLAIMED AGAINST THE TAXES IMPOSED BY  
2 THIS ARTICLE 22 OVER THE CREDIT PERIOD ACCORDING TO THE FOLLOWING  
3 SCHEDULE:

4 (I) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE  
5 FIRST YEAR OF THE CREDIT PERIOD MUST EQUAL SEVENTY PERCENT OF THE  
6 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE  
7 TAXPAYER;

8 (II) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE  
9 SECOND YEAR OF THE CREDIT PERIOD MUST EQUAL EIGHT PERCENT OF THE  
10 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE  
11 TAXPAYER;

12 (III) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN  
13 THE THIRD YEAR OF THE CREDIT PERIOD MUST EQUAL EIGHT PERCENT OF  
14 THE TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE  
15 TAXPAYER;

16 (IV) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN  
17 THE FOURTH YEAR OF THE CREDIT PERIOD MUST EQUAL SEVEN PERCENT OF  
18 THE TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE  
19 TAXPAYER; AND

20 (V) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE  
21 FIFTH YEAR OF THE CREDIT PERIOD MUST EQUAL SEVEN PERCENT OF THE  
22 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE  
23 TAXPAYER.

24 (5) IF AN OWNER OF A QUALIFIED DEVELOPMENT RECEIVING AN  
25 ALLOCATION OF A CREDIT IS A PARTNERSHIP, LIMITED LIABILITY COMPANY,  
26 S CORPORATION, OR SIMILAR PASS-THROUGH ENTITY, THE OWNER MAY  
27 ALLOCATE THE CREDIT AMONG ITS PARTNERS, SHAREHOLDERS, MEMBERS,

1 OR OTHER QUALIFIED TAXPAYERS IN ANY MANNER AGREED TO BY SUCH  
2 PERSONS REGARDLESS OF WHETHER ANY SUCH PERSONS ARE DEEMED A  
3 PARTNER FOR FEDERAL INCOME TAX PURPOSES. THE OWNER SHALL  
4 CERTIFY TO THE DEPARTMENT THE AMOUNT OF CREDIT ALLOCATED TO  
5 EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER.  
6 EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER  
7 ADMITTED AS A PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED  
8 TAXPAYER OF THE OWNER PRIOR TO THE FILING OF A TAX RETURN  
9 CLAIMING THE CREDIT IS ALLOWED TO CLAIM SUCH AMOUNT SUBJECT TO  
10 ANY RESTRICTIONS SET FORTH IN THIS PART 54.

11 (6) NO CREDIT SHALL BE ALLOCATED PURSUANT TO THIS PART 54  
12 UNLESS THE QUALIFIED DEVELOPMENT IS THE SUBJECT OF A RECORDED  
13 RESTRICTIVE COVENANT REQUIRING THE DEVELOPMENT TO BE  
14 MAINTAINED AND OPERATED AS A QUALIFIED DEVELOPMENT, AND IS IN  
15 ACCORDANCE WITH THE ACCESSIBILITY AND ADAPTABILITY  
16 REQUIREMENTS OF THE FEDERAL TAX CREDITS AND TITLE VIII OF THE  
17 "CIVIL RIGHTS ACT OF 1968", AS AMENDED BY THE "FAIR HOUSING  
18 AMENDMENTS ACT OF 1988", FOR A PERIOD OF FIFTEEN INCOME TAX  
19 YEARS, OR SUCH LONGER PERIOD AS MAY BE AGREED TO BETWEEN THE  
20 AUTHORITY AND THE OWNER, BEGINNING WITH THE FIRST TAXABLE YEAR  
21 OF THE CREDIT PERIOD UNLESS CORRECTED WITHIN THE TIME THAT IS  
22 APPLICABLE TO DEVELOPMENTS RECEIVING FEDERAL TAX CREDITS  
23 PURSUANT TO SECTION 42(h)(6)(J) OF THE INTERNAL REVENUE CODE AS  
24 APPLICABLE TO THE COVENANT DESCRIBED IN THIS SUBSECTION (6).

25 (7) THE ALLOCATED CREDIT AMOUNT MAY BE TAKEN AGAINST THE  
26 TAXES IMPOSED BY THIS ARTICLE 22 FOR EACH INCOME TAX YEAR OF THE  
27 CREDIT PERIOD AS SET FORTH IN SUBSECTION (4) OF THIS SECTION. ANY

1 AMOUNT OF CREDIT THAT EXCEEDS THE TAX DUE FOR AN INCOME TAX  
2 YEAR MAY BE CARRIED FORWARD AS A TAX CREDIT AGAINST THE INCOME  
3 TAX LIABILITY FOR THE THREE SUBSEQUENT TAX YEARS AND MUST BE  
4 APPLIED FIRST TO THE EARLIEST YEARS POSSIBLE. ANY AMOUNT OF THE  
5 CREDIT THAT IS NOT USED MUST NOT BE REFUNDED TO THE TAXPAYER.

6 (8) UNLESS OTHERWISE PROVIDED IN THIS PART 54 OR THE  
7 CONTEXT CLEARLY REQUIRES OTHERWISE, THE AUTHORITY SHALL  
8 DETERMINE ELIGIBILITY FOR A CREDIT AND ALLOCATE CREDITS IN  
9 ACCORDANCE WITH THE STANDARDS AND REQUIREMENTS SET FORTH IN  
10 THE ALLOCATION PLAN; HOWEVER, THE AUTHORITY SHALL ADMINISTER  
11 THE CREDIT ALLOWED PURSUANT TO THIS PART 54 CONSISTENTLY WITH  
12 THE CREDIT PURSUANT TO PART 21 OF THIS ARTICLE 22 EXCEPT TO THE  
13 EXTENT THE ALLOCATION PLAN IS INCONSISTENT WITH PART 21 OF THIS  
14 ARTICLE 22, IN WHICH CASE THE ALLOCATION PLAN CONTROLS.  
15 NOTWITHSTANDING THE FOREGOING, ANY COMBINATION OF FEDERAL AND  
16 STATE CREDITS, OR STANDALONE AMOUNT OF STATE CREDITS, ALLOWED  
17 MUST BE THE LEAST AMOUNT NECESSARY TO ENSURE THE FINANCIAL  
18 FEASIBILITY OF A QUALIFIED DEVELOPMENT.

19 **39-22-5404. Recapture.** (1) AS OF THE LAST DAY OF ANY  
20 TAXABLE YEAR DURING THE COMPLIANCE PERIOD, IF THE AMOUNT OF THE  
21 QUALIFIED BASIS OF A QUALIFIED DEVELOPMENT WITH RESPECT TO A  
22 TAXPAYER IS LESS THAN THE AMOUNT OF THE QUALIFIED BASIS AS OF THE  
23 LAST DAY OF THE PRIOR TAXABLE YEAR, THEN THE AMOUNT OF THE  
24 TAXPAYER'S STATE INCOME TAX LIABILITY FOR THAT TAXABLE YEAR MUST  
25 BE INCREASED BY THE CREDIT RECAPTURE AMOUNT.

26 (2) FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, THE  
27 CREDIT RECAPTURE AMOUNT IS AN AMOUNT EQUAL TO THE AGGREGATE

1 DECREASE IN THE CREDIT ALLOWED TO THE TAXPAYER PURSUANT TO THIS  
2 PART 54 FOR ALL PRIOR TAXABLE YEARS THAT WOULD HAVE RESULTED IF  
3 THE ACCELERATED PORTION OF THE CREDIT ALLOWABLE BY REASON OF  
4 THIS PART 54 WERE NOT ALLOWED FOR ALL PRIOR TAXABLE YEARS WITH  
5 RESPECT TO THE REDUCED AMOUNT OF QUALIFIED BASIS DESCRIBED IN  
6 SUBSECTION (1) OF THIS SECTION.

7 (3) FOR PURPOSES OF SUBSECTION (2) OF THIS SECTION, THE  
8 ACCELERATED PORTION OF THE CREDIT FOR THE PRIOR TAXABLE YEARS  
9 WITH RESPECT TO ANY AMOUNT OF QUALIFIED BASIS IS THE DIFFERENCE  
10 BETWEEN:

11 (a) THE AGGREGATE AMOUNT OF THE CREDIT ALLOWED PURSUANT  
12 TO THIS PART 54, NOTWITHSTANDING THIS SUBSECTION (3), FOR THE YEARS  
13 WITH RESPECT TO SUCH QUALIFIED BASIS; AND

14 (b) THE AGGREGATE AMOUNT OF THE CREDIT THAT WOULD BE  
15 ALLOWED PURSUANT TO THIS PART 54 FOR SUCH YEARS WITH RESPECT TO  
16 THE QUALIFIED BASIS IF THE AGGREGATE CREDIT THAT WOULD HAVE BEEN  
17 ALLOWABLE, BUT FOR THIS SUBSECTION (3), FOR THE ENTIRE COMPLIANCE  
18 PERIOD WERE ALLOWABLE RATABLY OVER FIFTEEN YEARS.

19 (4) IN THE EVENT THAT RECAPTURE OF ANY CREDIT IS REQUIRED  
20 IN ANY TAX YEAR, THE RETURN SUBMITTED FOR THAT TAX YEAR TO THE  
21 DEPARTMENT SHALL INCLUDE THE PROPORTION OF CREDIT REQUIRED TO  
22 BE RECAPTURED, THE IDENTITY OF EACH TAXPAYER SUBJECT TO THE  
23 RECAPTURE, AND THE AMOUNT OF CREDIT PREVIOUSLY ALLOCATED TO  
24 SUCH TAXPAYER.

25 (5) NOTWITHSTANDING SUBSECTION (1) OF THIS SECTION, CREDITS  
26 ISSUED PURSUANT TO THIS PART 54 MUST NOT BE RECAPTURED IF A  
27 QUALIFIED DEVELOPMENT, AFTER THE INITIAL AWARD OF CREDITS, CEASES

1 BEING LOCATED IN A TRANSIT-ORIENTED CENTER WITHIN A CERTIFIED  
2 TRANSIT-ORIENTED COMMUNITY OR IN A NEIGHBORHOOD CENTER WITHIN  
3 A METROPOLITAN PLANNING ORGANIZATION.

4 **39-22-5405. Filing requirements.** AN OWNER OF A QUALIFIED  
5 DEVELOPMENT TO WHICH A CREDIT HAS BEEN ALLOCATED AND EACH  
6 QUALIFIED TAXPAYER TO WHICH SUCH OWNER HAS ALLOCATED A PORTION  
7 OF SAID CREDIT, IF ANY, SHALL FILE WITH THEIR STATE INCOME TAX  
8 RETURN A COPY OF THE ALLOCATION CERTIFICATE ISSUED BY THE  
9 AUTHORITY WITH RESPECT TO SUCH DEVELOPMENT AND A COPY OF THE  
10 OWNER'S CERTIFICATION TO THE DEPARTMENT AS TO THE ALLOCATION OF  
11 THE CREDIT AMONG THE QUALIFIED TAXPAYERS HAVING OWNERSHIP  
12 INTERESTS IN THE DEVELOPMENT.

13 **39-22-5406. Parallel credits - insurance premium taxes.**

14 (1) ANY TAXPAYER WHO IS SUBJECT TO THE TAX ON INSURANCE  
15 PREMIUMS ESTABLISHED BY SECTIONS 10-3-209, 10-5-111, AND 10-6-128  
16 AND THEREFORE EXEMPT FROM THE PAYMENT OF INCOME TAX AND WHO  
17 IS OTHERWISE ELIGIBLE TO CLAIM A CREDIT PURSUANT TO THIS PART 54  
18 MAY CLAIM SUCH CREDIT AND CARRY SUCH CREDIT FORWARD AGAINST  
19 SUCH INSURANCE PREMIUM TAX ON ITS CALENDAR QUARTER ESTIMATED  
20 TAX PAYMENTS MADE IN ACCORDANCE WITH SECTION 10-3-209 TO THE  
21 SAME EXTENT AS THE TAXPAYER WOULD HAVE BEEN ABLE TO CLAIM OR  
22 CARRY FORWARD SUCH CREDIT OR REFUND AGAINST INCOME TAX. ALL  
23 OTHER PROVISIONS OF THIS PART 54 WITH RESPECT TO THE CREDIT,  
24 INCLUDING THE AMOUNT, ALLOCATION, AND RECAPTURE OF THE CREDIT  
25 AND THE YEARS FOR WHICH THE CREDIT MAY BE CLAIMED, APPLY TO A  
26 CREDIT CLAIMED PURSUANT TO THIS SECTION.

27 (2) FOR PURPOSES OF ADMINISTERING THIS SECTION, ANY

1 REFERENCE IN THIS ARTICLE 22 TO "INCOME TAX YEAR" MEANS CALENDAR  
2 YEAR.

3 **39-22-5407. Compliance monitoring.** THE AUTHORITY, IN  
4 CONSULTATION WITH THE DEPARTMENT, SHALL MONITOR AND OVERSEE  
5 COMPLIANCE WITH THIS PART 54 AND SHALL REPORT SPECIFIC  
6 OCCURRENCES OF NONCOMPLIANCE TO THE DEPARTMENT.

7 **39-22-5408. Repeal.** THIS PART 54 IS REPEALED, EFFECTIVE  
8 DECEMBER 31, 2049.

9 **SECTION 3.** In Colorado Revised Statutes, 39-26-123, **amend**  
10 (3)(b)(II)(B) and (3)(b)(II)(C); and **add** (3)(b)(II)(D) and (3)(b)(II)(E) as  
11 follows:

12 **39-26-123. Receipts - disposition - transfers of general fund**  
13 **surplus - sales tax holding fund - creation - definitions.** (3) For any  
14 state fiscal year commencing on or after July 1, 2013, the state treasurer  
15 shall credit eighty-five percent of all net revenue collected under this  
16 article 26 to the old age pension fund created in section 1 of article XXIV  
17 of the state constitution. The state treasurer shall credit to the general fund  
18 the remaining fifteen percent of the net revenue, less:

19 (b) (II) The amount credited to the housing development grant  
20 fund created in section 24-32-721 (1) under subsection (3)(b)(I) of this  
21 section is reduced by the following amounts:

22 (B) Forty million three hundred twenty-three thousand one  
23 hundred fifty-eight dollars for the state fiscal year 2020-21; and

24 (C) Nine hundred eighty-five thousand three hundred thirty-five  
25 dollars for the state fiscal year YEARS 2021-22, and each state fiscal year  
26 thereafter 2022-23, AND 2023-24;

27 (D) THIRTY-FIVE MILLION NINE HUNDRE EIGHTY-FIVE THOUSAND

1 THREE HUNDRED THIRTY-FIVE DOLLARS FOR THE STATE FISCAL YEAR  
2 2024-25 THROUGH STATE FISCAL YEAR 2031-32; AND

3 (E) NINE HUNDRED EIGHTY-FIVE THOUSAND THREE HUNDRED  
4 THIRTY-FIVE DOLLARS FOR THE STATE FISCAL YEAR 2032-33 AND EACH  
5 STATE FISCAL YEAR THEREAFTER.

6 **SECTION 4. Safety clause.** The general assembly finds,  
7 determines, and declares that this act is necessary for the immediate  
8 preservation of the public peace, health, or safety or for appropriations for  
9 the support and maintenance of the departments of the state and state  
10 institutions.