

## CHAPTER 291

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**TAXATION**

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**HOUSE BILL 24-1434**

BY REPRESENTATIVE(S) Bird and Weinberg, Amabile, Bacon, Boesenecker, Brown, Daugherty, deGruy Kennedy, Duran, English, Froelich, Hamrick, Herod, Joseph, Kipp, Lieder, Lindsay, Lindstedt, Lukens, Mabrey, Marvin, Mauro, McCormick, McLachlan, Ortiz, Ricks, Rutinel, Sirota, Snyder, Titone, Valdez, Vigil, Weissman, Woodrow, Young, McCluskie, Parenti; also SENATOR(S) Zenzinger and Simpson, Bridges, Buckner, Cutter, Exum, Hansen, Jaquez Lewis, Michaelson Jenet, Mullica, Priola, Roberts, Will, Winter F., Fenberg.

**AN ACT****CONCERNING AN EXPANSION TO THE AFFORDABLE HOUSING TAX CREDIT.**

*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:

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*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.*

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

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

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

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

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

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

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

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

(7.5) A QUALIFIED TAXPAYER SHALL NOT CLAIM A CREDIT ALLOCATED AS PART OF THE CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION RATABLY OVER THE CREDIT PERIOD. INSTEAD, SUCH A CREDIT MUST BE ACCELERATED AND THE FULL AMOUNT MUST BE CLAIMED AGAINST THE TAXES IMPOSED BY THIS ARTICLE 22 OVER THE CREDIT PERIOD ACCORDING TO THE FOLLOWING SCHEDULE:

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

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

**SECTION 2.** In Colorado Revised Statutes, **add** part 55 to article 22 of title 39 as follows:

PART 55  
COLORADO AFFORDABLE HOUSING IN  
TRANSIT-ORIENTED COMMUNITIES INCOME TAX CREDIT

**39-22-5501. Tax preference performance statement.** (1) IN ACCORDANCE WITH SECTION 39-21-304(1), WHICH REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS AND DECLARES THAT THE PURPOSE OF THE TAX CREDIT PROVIDED IN THIS SECTION IS TO INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS BY SUPPORTING THE DEVELOPMENT OF AFFORDABLE HOUSING WITHIN TRANSIT-ORIENTED COMMUNITIES.

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

**39-22-5502. Definitions.** AS USED IN THIS PART 55, UNLESS THE CONTEXT OTHERWISE REQUIRES:

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

(2) "ALLOCATION PLAN" MEANS AN ALLOCATION PLAN ADOPTED BY THE AUTHORITY THAT GOVERNS THE SELECTION CRITERIA AND PREFERENCES FOR ALLOCATING THE TAX CREDIT ALLOWED PURSUANT TO THIS PART 55.

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

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

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

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

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

(6) "CREDIT" MEANS THE COLORADO TRANSIT-ORIENTED COMMUNITY HOUSING INCOME TAX CREDIT ALLOWED PURSUANT TO THIS PART 55.

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

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

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

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

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

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

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

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

(a) LOCATED IN COLORADO;

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

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

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

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

**39-22-5503. Credit against tax - affordable housing located in a transit-oriented community.** (1) FOR INCOME TAX YEARS DURING THE CREDIT PERIOD, THERE IS ALLOWED TO ANY QUALIFIED TAXPAYER A CREDIT WITH RESPECT TO THE INCOME TAXES IMPOSED BY THIS ARTICLE 22 IN THE AMOUNT DETERMINED BY THE AUTHORITY PURSUANT TO THIS PART 55.

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

(a) CREDITS AUTHORIZED AS FOLLOWS:

(I) FOR THE 2025 CALENDAR YEAR, TWO MILLION DOLLARS;

(II) FOR THE 2026 CALENDAR YEAR, TWO MILLION DOLLARS;

(III) FOR THE 2027 CALENDAR YEAR, TWO MILLION DOLLARS;

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

(V) FOR THE 2029 CALENDAR YEAR, THIRTEEN MILLION DOLLARS; PLUS

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

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

(3) 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 MUST BE IN AN AMOUNT DETERMINED BY THE AUTHORITY, SUBJECT TO THE FOLLOWING GUIDELINES:

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

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

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

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

(b) THE TAXPAYER SHALL NOT CLAIM THE CREDIT RATABLY OVER THE CREDIT PERIOD. INSTEAD, THE CREDIT MUST BE ACCELERATED AND THE FULL AMOUNT MUST BE CLAIMED AGAINST THE TAXES IMPOSED BY THIS ARTICLE 22 OVER THE CREDIT PERIOD ACCORDING TO THE FOLLOWING SCHEDULE:

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

(II) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE SECOND YEAR

OF THE CREDIT PERIOD MUST EQUAL EIGHT PERCENT OF THE TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE TAXPAYER;

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

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

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

(5) IF AN OWNER OF A QUALIFIED DEVELOPMENT RECEIVING AN ALLOCATION OF A CREDIT IS A PARTNERSHIP, LIMITED LIABILITY COMPANY, S CORPORATION, OR SIMILAR PASS-THROUGH ENTITY, THE OWNER MAY ALLOCATE THE CREDIT AMONG ITS PARTNERS, SHAREHOLDERS, MEMBERS, OR OTHER QUALIFIED TAXPAYERS IN ANY MANNER AGREED TO BY SUCH PERSONS REGARDLESS OF WHETHER ANY SUCH PERSONS ARE DEEMED A PARTNER FOR FEDERAL INCOME TAX PURPOSES. THE OWNER SHALL CERTIFY TO THE DEPARTMENT THE AMOUNT OF CREDIT ALLOCATED TO EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER. EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER ADMITTED AS A PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER OF THE OWNER PRIOR TO THE FILING OF A TAX RETURN CLAIMING THE CREDIT IS ALLOWED TO CLAIM SUCH AMOUNT SUBJECT TO ANY RESTRICTIONS SET FORTH IN THIS PART 55.

(6) NO CREDIT SHALL BE ALLOCATED PURSUANT TO THIS PART 55 UNLESS THE QUALIFIED DEVELOPMENT IS THE SUBJECT OF A RECORDED RESTRICTIVE COVENANT REQUIRING THE DEVELOPMENT TO BE MAINTAINED AND OPERATED AS A QUALIFIED DEVELOPMENT, AND IS IN ACCORDANCE WITH THE ACCESSIBILITY AND ADAPTABILITY REQUIREMENTS OF THE FEDERAL TAX CREDITS AND TITLE VIII OF THE "CIVIL RIGHTS ACT OF 1968", AS AMENDED BY THE "FAIR HOUSING AMENDMENTS ACT OF 1988", FOR A PERIOD OF FIFTEEN INCOME TAX YEARS, OR SUCH LONGER PERIOD AS MAY BE AGREED TO BETWEEN THE AUTHORITY AND THE OWNER, BEGINNING WITH THE FIRST TAXABLE YEAR OF THE CREDIT PERIOD UNLESS CORRECTED WITHIN THE TIME THAT IS APPLICABLE TO DEVELOPMENTS RECEIVING FEDERAL TAX CREDITS PURSUANT TO SECTION 42(h)(6)(J) OF THE INTERNAL REVENUE CODE AS APPLICABLE TO THE COVENANT DESCRIBED IN THIS SUBSECTION (6).

(7) THE ALLOCATED CREDIT AMOUNT MAY BE TAKEN AGAINST THE TAXES IMPOSED BY THIS ARTICLE 22 FOR EACH INCOME TAX YEAR OF THE CREDIT PERIOD AS SET FORTH IN SUBSECTION (4) OF THIS SECTION. ANY AMOUNT OF CREDIT THAT EXCEEDS THE TAX DUE FOR AN INCOME TAX YEAR MAY BE CARRIED FORWARD AS A TAX CREDIT AGAINST THE INCOME TAX LIABILITY FOR THE THREE SUBSEQUENT TAX YEARS AND MUST BE APPLIED FIRST TO THE EARLIEST YEARS POSSIBLE. ANY AMOUNT OF THE CREDIT THAT IS NOT USED MUST NOT BE REFUNDED TO THE TAXPAYER.

(8) UNLESS OTHERWISE PROVIDED IN THIS PART 55 OR THE CONTEXT CLEARLY REQUIRES OTHERWISE, THE AUTHORITY SHALL DETERMINE ELIGIBILITY FOR A CREDIT

AND ALLOCATE CREDITS IN ACCORDANCE WITH THE STANDARDS AND REQUIREMENTS SET FORTH IN THE ALLOCATION PLAN; HOWEVER, THE AUTHORITY SHALL ADMINISTER THE CREDIT ALLOWED PURSUANT TO THIS PART 55 CONSISTENTLY WITH THE CREDIT PURSUANT TO PART 21 OF THIS ARTICLE 22 EXCEPT TO THE EXTENT THE ALLOCATION PLAN IS INCONSISTENT WITH PART 21 OF THIS ARTICLE 22, IN WHICH CASE THE ALLOCATION PLAN CONTROLS. NOTWITHSTANDING THE FOREGOING, ANY COMBINATION OF FEDERAL AND STATE CREDITS, OR STANDALONE AMOUNT OF STATE CREDITS, ALLOWED MUST BE THE LEAST AMOUNT NECESSARY TO ENSURE THE FINANCIAL FEASIBILITY OF A QUALIFIED DEVELOPMENT.

**39-22-5504. Recapture.** (1) AS OF THE LAST DAY OF ANY TAXABLE YEAR DURING THE COMPLIANCE PERIOD, IF THE AMOUNT OF THE QUALIFIED BASIS OF A QUALIFIED DEVELOPMENT WITH RESPECT TO A TAXPAYER IS LESS THAN THE AMOUNT OF THE QUALIFIED BASIS AS OF THE LAST DAY OF THE PRIOR TAXABLE YEAR, THEN THE AMOUNT OF THE TAXPAYER'S STATE INCOME TAX LIABILITY FOR THAT TAXABLE YEAR MUST BE INCREASED BY THE CREDIT RECAPTURE AMOUNT.

(2) FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, THE CREDIT RECAPTURE AMOUNT IS AN AMOUNT EQUAL TO THE AGGREGATE DECREASE IN THE CREDIT ALLOWED TO THE TAXPAYER PURSUANT TO THIS PART 55 FOR ALL PRIOR TAXABLE YEARS THAT WOULD HAVE RESULTED IF THE ACCELERATED PORTION OF THE CREDIT ALLOWABLE BY REASON OF THIS PART 55 WERE NOT ALLOWED FOR ALL PRIOR TAXABLE YEARS WITH RESPECT TO THE REDUCED AMOUNT OF QUALIFIED BASIS DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

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

(a) THE AGGREGATE AMOUNT OF THE CREDIT ALLOWED PURSUANT TO THIS PART 55, NOTWITHSTANDING THIS SUBSECTION (3), FOR THE YEARS WITH RESPECT TO SUCH QUALIFIED BASIS; AND

(b) THE AGGREGATE AMOUNT OF THE CREDIT THAT WOULD BE ALLOWED PURSUANT TO THIS PART 55 FOR SUCH YEARS WITH RESPECT TO THE QUALIFIED BASIS IF THE AGGREGATE CREDIT THAT WOULD HAVE BEEN ALLOWABLE, BUT FOR THIS SUBSECTION (3), FOR THE ENTIRE COMPLIANCE PERIOD WERE ALLOWABLE RATABLY OVER FIFTEEN YEARS.

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

(5) NOTWITHSTANDING SUBSECTION (1) OF THIS SECTION, CREDITS ISSUED PURSUANT TO THIS PART 55 MUST NOT BE RECAPTURED IF A QUALIFIED DEVELOPMENT, AFTER THE INITIAL AWARD OF CREDITS, CEASES BEING LOCATED IN A TRANSIT-ORIENTED CENTER WITHIN A CERTIFIED TRANSIT-ORIENTED COMMUNITY OR IN A NEIGHBORHOOD CENTER WITHIN A METROPOLITAN PLANNING ORGANIZATION.

**39-22-5505. Filing requirements.** AN OWNER OF A QUALIFIED DEVELOPMENT TO WHICH A CREDIT HAS BEEN ALLOCATED AND EACH QUALIFIED TAXPAYER TO WHICH SUCH OWNER HAS ALLOCATED A PORTION OF SAID CREDIT, IF ANY, SHALL FILE WITH THEIR STATE INCOME TAX RETURN A COPY OF THE ALLOCATION CERTIFICATE ISSUED BY THE AUTHORITY WITH RESPECT TO SUCH DEVELOPMENT AND A COPY OF THE OWNER'S CERTIFICATION TO THE DEPARTMENT AS TO THE ALLOCATION OF THE CREDIT AMONG THE QUALIFIED TAXPAYERS HAVING OWNERSHIP INTERESTS IN THE DEVELOPMENT.

**39-22-5506. Parallel credits - insurance premium taxes.** (1) ANY TAXPAYER WHO IS SUBJECT TO THE TAX ON INSURANCE PREMIUMS ESTABLISHED BY SECTIONS 10-3-209, 10-5-111, AND 10-6-128 AND THEREFORE EXEMPT FROM THE PAYMENT OF INCOME TAX AND WHO IS OTHERWISE ELIGIBLE TO CLAIM A CREDIT PURSUANT TO THIS PART 55 MAY CLAIM SUCH CREDIT AND CARRY SUCH CREDIT FORWARD AGAINST SUCH INSURANCE PREMIUM TAX ON ITS CALENDAR QUARTER ESTIMATED TAX PAYMENTS MADE IN ACCORDANCE WITH SECTION 10-3-209 TO THE SAME EXTENT AS THE TAXPAYER WOULD HAVE BEEN ABLE TO CLAIM OR CARRY FORWARD SUCH CREDIT OR REFUND AGAINST INCOME TAX. ALL OTHER PROVISIONS OF THIS PART 55 WITH RESPECT TO THE CREDIT, INCLUDING THE AMOUNT, ALLOCATION, AND RECAPTURE OF THE CREDIT AND THE YEARS FOR WHICH THE CREDIT MAY BE CLAIMED, APPLY TO A CREDIT CLAIMED PURSUANT TO THIS SECTION.

(2) FOR PURPOSES OF ADMINISTERING THIS SECTION, ANY REFERENCE IN THIS ARTICLE 22 TO "INCOME TAX YEAR" MEANS CALENDAR YEAR.

**39-22-5507. Compliance monitoring.** THE AUTHORITY, IN CONSULTATION WITH THE DEPARTMENT, SHALL MONITOR AND OVERSEE COMPLIANCE WITH THIS PART 55 AND SHALL REPORT SPECIFIC OCCURRENCES OF NONCOMPLIANCE TO THE DEPARTMENT.

**39-22-5508. Repeal.** THIS PART 55 IS REPEALED, EFFECTIVE DECEMBER 31, 2049.

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

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

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

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

(C) Nine hundred eighty-five thousand three hundred thirty-five dollars for the

state fiscal year YEARS 2021-22, and each state fiscal year thereafter 2022-23, AND 2023-24;

(D) THIRTY-FIVE MILLION NINE HUNDRED EIGHTY-FIVE THOUSAND THREE HUNDRED THIRTY-FIVE DOLLARS FOR THE STATE FISCAL YEAR 2024-25 THROUGH STATE FISCAL YEAR 2031-32; AND

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

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

Approved: May 30, 2024