

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

**PREAMENDED**

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

LLS NO. 25-0391.01 Jessica Herrera x4218

**HOUSE BILL 25-1005**

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**HOUSE SPONSORSHIP**

**McCluskie and Titone,**

**SENATE SPONSORSHIP**

**Amabile and Baisley,**

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**House Committees**

Business Affairs & Labor  
Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE CREATION OF TAX INCENTIVES TO SUPPORT THE**  
102      **FILM FESTIVAL INDUSTRY.**

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**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 new refundable tax credit only if at least one qualified film festival with a multi-decade operating history and a verifiable track record of attracting 100,000 or more in-person ticket sales and over 10,000 out-of-state and international attendees (global film festival) commences the relocation of the festival to Colorado by January 1, 2026. Upon relocation, for calendar years commencing on or after

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.*

January 1, 2027, but before January 1, 2037, the maximum aggregate amount of refundable tax credits that any qualified global film festival entity is eligible to receive is \$34 million and the maximum aggregate amount that all existing or small Colorado festival entities collectively may receive is \$5 million.

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-571 as  
3 follows:

4           **39-22-571. Film festival incentive tax credit - tax preference**  
5 **performance statement - legislative declaration - definitions - repeal.**

6 (1) (a) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

7           (I) COLORADO'S FILM FESTIVAL INDUSTRY HAS THE ABILITY TO BE  
8 A TRUE ECONOMIC DRIVER IN THE STATE; AND

9           (II) BY PROVIDING A TAX INCENTIVE TO BIG FILM FESTIVALS TO  
10 RELOCATE TO COLORADO, A SINGLE BIG FESTIVAL COULD BRING OVER  
11 TWENTY THOUSAND OUT OF STATE VISITORS, LEADING TO A BOOST IN  
12 LOCAL ECONOMIES, AN INCREASE IN SALES AND USE TAX REVENUE, AND  
13 JOB CREATION.

14           (b) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH  
15 REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE  
16 A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY  
17 LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS AND  
18 DECLARES THAT THE PURPOSE OF THE TAX CREDITS PROVIDED FOR IN THIS  
19 SECTION IS TO INDUCE DESIGNATED BEHAVIOR BY TAXPAYERS AND TO  
20 PROVIDE A REDUCTION IN INCOME TAX LIABILITY FOR CERTAIN BUSINESSES  
21 OR INDIVIDUALS BY ALLOWING FILM FESTIVAL ORGANIZERS TO RECEIVE A  
22 CREDIT AGAINST INCOME TAX OR AN INCOME TAX REFUND FOR QUALIFIED  
23 EXPENDITURES IF CERTAIN CRITERIA ARE MET. SPECIFICALLY, THESE TAX

1 EXPENDITURES ARE INTENDED TO INCENTIZE FILM FESTIVAL ORGANIZERS  
2 TO RELOCATE TO COLORADO AND, IN PARTICULAR, FOR BIG FILM  
3 FESTIVALS TO BOOST LOCAL ECONOMIES, INCREASE SALES AND USE TAX  
4 REVENUE, AND CREATE NEW JOBS.

5 (c) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL  
6 MEASURE THE EFFECTIVENESS OF THE TAX CREDIT IN ACHIEVING THE  
7 PURPOSES SPECIFIED IN SUBSECTION (1)(b) OF THIS SECTION BASED ON THE  
8 AMOUNT OF QUALIFIED EXPENDITURES MADE IN COLORADO, THE NUMBER  
9 OF VISITORS ATTENDING FILM FESTIVALS IN THE STATE, AND THE AMOUNT  
10 OF STATE AND LOCAL SALES AND USE TAX COLLECTED THAT CAN BE  
11 ATTRIBUTED TO SUCH FILM FESTIVALS.

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

14 (a) "GLOBAL FILM FESTIVAL ENTITY" MEANS A FILM FESTIVAL  
15 ENTITY THAT:

16 (I) IS EITHER A TAX-EXEMPT ENTITY UNDER SECTION 501 (c)(3) OF  
17 THE INTERNAL REVENUE CODE OR A FOR-PROFIT ENTITY; AND

18 (II) HAS A MULTI-DECADE OPERATING HISTORY AND A VERIFIABLE  
19 ANNUAL TRACK RECORD OF ATTRACTING ONE HUNDRED THOUSAND OR  
20 MORE IN-PERSON TICKET SALES AND TENS OF THOUSANDS OF  
21 OUT-OF-STATE AND INTERNATIONAL ATTENDEES FOR THE FILM FESTIVAL.

22 (b) "EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY"  
23 MEANS A FILM FESTIVAL ENTITY THAT IS NOT A GLOBAL FILM FESTIVAL  
24 ENTITY. A FILM FESTIVAL MAY BE AN ENTITY THAT PROVIDES VIDEO,  
25 TELEVISION, NEW MEDIA, OR CONTENT CREATION EXHIBITION.

26 (c) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC  
27 DEVELOPMENT CREATED IN SECTION 24-48.5-101 (1).

1 (d) "QUALIFIED EXPENDITURE" MEANS A PAYMENT MADE BY A  
2 GLOBAL FILM FESTIVAL ENTITY OR AN EXISTING COLORADO OR SMALL  
3 FILM FESTIVAL ENTITY OPERATING IN COLORADO IN CONNECTION WITH  
4 THE FILM FESTIVAL TAKING PLACE IN COLORADO. QUALIFIED  
5 EXPENDITURES FOR AN EXISTING OR SMALL COLORADO FILM FESTIVAL ARE  
6 LIMITED TO THOSE INCURRED IN COLORADO IN ACCORDANCE WITH  
7 POLICIES AND PROCEDURES DETERMINED BY THE OFFICE. "QUALIFIED  
8 EXPENDITURE" INCLUDES, BUT IS NOT LIMITED TO:

9 (I) SALARIES AND BENEFITS OF EMPLOYEES OF THE ENTITY THAT  
10 OPERATES THE FESTIVAL;

11 (II) COSTS ASSOCIATED WITH CONTRACTORS THAT FACILITATE THE  
12 OPERATION OF THE FESTIVAL;

13 (III) COSTS ASSOCIATED WITH THE RENTAL OF FILMS, EQUIPMENT,  
14 STORAGE, VENUES, AND OFFICE OR OTHER SPACE TO OPERATE THE  
15 FESTIVAL;

16 (IV) COSTS ASSOCIATED WITH RENTAL EXPENSES OR BUILDING  
17 OPERATION EXPENSES OF THE ENTITY THAT OPERATES THE FESTIVAL;

18 (V) TRAVEL EXPENSES FOR INDIVIDUALS ASSOCIATED WITH THE  
19 ENTITY THAT OPERATES THE FESTIVAL, INCLUDING TRAVEL EXPENSES FOR  
20 CONTRACTORS AND TALENT;

21 (VI) ANY OTHER COSTS INCURRED BY THE ENTITY ASSOCIATED  
22 WITH INSURANCE, TICKETS, MARKETING, AND OTHER RELATED FILM  
23 PROGRAMMING EVENTS;

24 (VII) CAPITAL COSTS TO OPERATE THE FILM FESTIVAL IN  
25 COLORADO; AND

26 (VIII) DEPRECIABLE INVESTMENTS IN REAL OR BUSINESS  
27 PERSONAL PROPERTY IN COLORADO THAT ARE NEEDED TO OPERATE THE

1 FILM FESTIVAL.

2 (3) (a) SUBJECT TO SUBSECTION (3)(e) OF THIS SECTION, FOR  
3 CALENDAR YEARS COMMENCING ON OR AFTER JANUARY 1, 2027, BUT  
4 BEFORE JANUARY 1, 2037, THERE IS ALLOWED A CREDIT WITH RESPECT TO  
5 INCOME TAXES IMPOSED PURSUANT TO THIS ARTICLE 22 TO ANY GLOBAL  
6 FILM FESTIVAL ENTITY OR EXISTING OR SMALL COLORADO FILM FESTIVAL  
7 ENTITY THAT RECEIVES A TAX CREDIT CERTIFICATE PURSUANT TO THIS  
8 SECTION IN THE AMOUNT OF THE TAX CREDIT CERTIFICATE.

9 (b) THE OFFICE MAY RESERVE A TAX CREDIT FOR THE BENEFIT OF  
10 ANY GLOBAL FILM FESTIVAL ENTITY PURSUANT TO SUBSECTION (6) OF THIS  
11 SECTION SUBJECT TO THE FOLLOWING LIMITS:

12 (I) FOR CALENDAR YEARS COMMENCING ON OR AFTER JANUARY 1,  
13 2027, BUT BEFORE JANUARY 1, 2029, THE AGGREGATE AMOUNT OF TAX  
14 CREDIT THAT MAY BE RESERVED IS FOUR MILLION DOLLARS PER YEAR;

15 (II) FOR THE CALENDAR YEAR COMMENCING ON JANUARY 1, 2029,  
16 THE AGGREGATE AMOUNT OF TAX CREDIT THAT MAY BE RESERVED IS FIVE  
17 MILLION DOLLARS; AND

18 (III) FOR CALENDAR YEARS COMMENCING ON OR AFTER JANUARY  
19 1, 2030, BUT BEFORE JANUARY 1, 2037, THE AGGREGATE AMOUNT OF TAX  
20 CREDIT THAT MAY BE RESERVED IS THREE MILLION DOLLARS PER YEAR.

21 (c) SUBJECT TO SUBSECTION (3)(e) OF THIS SECTION, THE OFFICE  
22 MAY RESERVE A TAX CREDIT FOR THE BENEFIT OF ANY EXISTING OR SMALL  
23 COLORADO FILM FESTIVAL ENTITY PURSUANT TO SUBSECTION (7) OF THIS  
24 SECTION. FOR CALENDAR YEARS COMMENCING ON OR AFTER JANUARY 1,  
25 2027, BUT BEFORE JANUARY 1, 2037, THE AGGREGATE AMOUNT OF TAX  
26 CREDIT THAT MAY BE RESERVED PURSUANT TO THIS SUBSECTION (3)(c) IS  
27 FIVE HUNDRED THOUSAND DOLLARS PER YEAR.

1 (d) THE TAX CREDIT ALLOWED PURSUANT TO THIS SECTION SHALL  
2 BE ADMINISTERED BY THE OFFICE JOINTLY WITH THE COLORADO OFFICE OF  
3 FILM, TELEVISION, AND MEDIA AND THE DIVISION OF BUSINESS FUNDING  
4 AND INCENTIVES, OR THEIR SUCCESSOR DIVISIONS OR OFFICES.

5 (e) THE TAX CREDIT CREATED IN THIS SECTION IS NOT ALLOWED TO  
6 ANY QUALIFIED APPLICANT UNLESS AT LEAST ONE QUALIFIED GLOBAL FILM  
7 FESTIVAL ENTITY COMMENCES THE RELOCATION OF THE FESTIVAL TO  
8 COLORADO BY JANUARY 1, 2026. THE OFFICE SHALL DETERMINE IF THE  
9 RELOCATION REQUIREMENT OF THIS SUBSECTION (3)(e) IS SATISFIED AND  
10 NOTIFY THE DEPARTMENT.

11 (4) (a) SUBJECT TO THE PROGRAM POLICIES AND PROCEDURES  
12 ESTABLISHED BY THE OFFICE, A GLOBAL FILM FESTIVAL ENTITY MAY BE  
13 ALLOWED A TAX CREDIT FOR EACH TAX YEAR IN WHICH A FILM FESTIVAL  
14 OCCURRED. A GLOBAL FILM FESTIVAL ENTITY OR AN EXISTING COLORADO  
15 FILM FESTIVAL ENTITY MAY BE ALLOWED AN ADDITIONAL TAX CREDIT IN  
16 THE SUBSEQUENT TAX YEAR WITH RESPECT TO ANY QUALIFIED  
17 EXPENDITURES INCURRED IN THAT YEAR.

18 (b) FOR PURPOSES OF THIS SECTION, ANY QUALIFIED EXPENDITURE  
19 THAT OCCURRED IN THE PRECEDING ELEVEN MONTHS PRIOR TO THE  
20 COMMENCEMENT OF THE YEAR IN WHICH THE FILM FESTIVAL OCCURRED  
21 MAY BE ADDED TO THE QUALIFIED EXPENDITURES THAT OCCURRED  
22 DURING THE TAX YEAR IN WHICH THE FESTIVAL OCCURRED WHEN  
23 DETERMINING THE AMOUNT OF TAX CREDIT FOR WHICH A GLOBAL FILM  
24 FESTIVAL ENTITY OR AN EXISTING OR SMALL COLORADO FILM FESTIVAL  
25 ENTITY IS ELIGIBLE.

26 (c) ONLY ONE CREDIT IS ALLOWED IN ACCORDANCE WITH THIS  
27 SECTION WITH RESPECT TO A QUALIFIED EXPENDITURE.

1           (5) (a) THE OFFICE SHALL DEVELOP AND PUBLISH PROGRAM  
2 POLICIES AND PROCEDURES FOR THE ADMINISTRATION OF THIS SECTION,  
3 INCLUDING APPLICATION GUIDELINES FOR A GLOBAL FILM FESTIVAL ENTITY  
4 AND FOR AN EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY  
5 APPLYING TO RECEIVE A TAX CREDIT RESERVATION OR ISSUANCE UNDER  
6 THIS SECTION. THE OFFICE MAY INCLUDE GUARDRAILS OR REQUIREMENTS  
7 THAT THE APPLICANT MUST SATISFY BEFORE A TAX CREDIT RESERVATION  
8 OR ISSUANCE OCCURS.

9           (b) WHEN DETERMINING THE PRIORITY OF RESERVATION OF A TAX  
10 CREDIT FOR AN EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY, IF  
11 THERE ARE MORE REQUESTS FOR TAX CREDIT RESERVATIONS THAN THERE  
12 ARE RESERVATIONS AVAILABLE, THE OFFICE MUST PROVIDE PRIORITY TO  
13 EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITIES THAT:

14           (I) DEMONSTRATE HISTORIC AND PROJECTED COMMUNITY AND  
15 ECONOMIC IMPACT;

16           (II) DEMONSTRATE COMMUNITY SUPPORT THROUGH LETTERS OF  
17 RECOMMENDATION INCLUDING, BUT NOT LIMITED TO, LETTERS FROM  
18 LOCAL ELECTED OFFICIALS OR LOCAL GOVERNING BODIES SUCH AS THE  
19 MAYOR, CITY COUNCIL, OR THE BOARD OF COUNTY COMMISSIONERS;

20           (III) INCREASE GEOGRAPHIC EQUITY;

21           (IV) DEMONSTRATE INNOVATION AND UNIQUENESS; OR

22           (V) ADDRESS A MARKET OR ENVIRONMENTAL CHANGE OUTSIDE OF  
23 THEIR CONTROL.

24           (6) (a) FOR A GLOBAL FILM FESTIVAL ENTITY TO CLAIM A TAX  
25 CREDIT PURSUANT TO SUBSECTION (3) OF THIS SECTION, THE GLOBAL FILM  
26 FESTIVAL ENTITY MUST APPLY TO THE OFFICE FOR THE RESERVATION OF A  
27 TAX CREDIT AT A TIME AND IN A MANNER DETERMINED IN THE PROGRAM

1 POLICIES AND PROCEDURES. A GLOBAL FILM FESTIVAL ENTITY MAY  
2 REQUEST RESERVATIONS OF TAX CREDITS IN AN AMOUNT UP TO  
3 THIRTY-FOUR MILLION DOLLARS IN ACCORDANCE WITH SUBSECTION (3) OF  
4 THIS SECTION. THE APPLICATION MUST INCLUDE A STATEMENT OF INTENT  
5 BY THE GLOBAL FILM FESTIVAL ENTITY TO ORGANIZE A FESTIVAL IN  
6 COLORADO. THE GLOBAL FILM FESTIVAL ENTITY MUST SUBMIT, IN  
7 CONJUNCTION WITH THE APPLICATION, ANY DOCUMENTATION NECESSARY  
8 TO DEMONSTRATE THAT IT MEETS THE DEFINITION OF A GLOBAL FILM  
9 FESTIVAL ENTITY, AS DEFINED IN SUBSECTION (2)(a) OF THIS SECTION, AND  
10 ANY OTHER INFORMATION REQUIRED BY THE OFFICE. IF THE OFFICE IS  
11 MAKING A MULTI-YEAR TAX CREDIT RESERVATION, IT SHALL DOCUMENT  
12 THE MULTI-YEAR TAX CREDIT RESERVATION IN A WRITTEN TAX CREDIT  
13 AGREEMENT.

14 (b) THE OFFICE SHALL REVIEW EACH TAX CREDIT RESERVATION  
15 APPLICATION SUBMITTED BY A GLOBAL FILM FESTIVAL ENTITY AND, BASED  
16 ON THE INFORMATION PROVIDED IN THE APPLICATION, THE OFFICE SHALL  
17 MAKE A DETERMINATION OF WHETHER THE GLOBAL FILM FESTIVAL ENTITY  
18 WILL RECEIVE A TAX CREDIT RESERVATION AND THE AMOUNT OF THAT  
19 RESERVATION. THE OFFICE MUST ESTABLISH AND PROVIDE WRITTEN  
20 NOTICE TO THE GLOBAL FILM FESTIVAL ENTITY OF THE MINIMUM FESTIVAL  
21 OPERATING REQUIREMENTS AS PART OF THE RESERVATION PROCESS FOR  
22 THE GLOBAL FILM FESTIVAL ENTITY TO RECEIVE A TAX CREDIT, WHICH  
23 MAY INCLUDE, BUT ARE NOT LIMITED TO, THE NUMBER OF FILMS REQUIRED  
24 TO BE SCREENED, THE MARKETING BUDGET, THE LENGTH OF THE FESTIVAL  
25 IN DAYS, THE LOCATION OF THE FESTIVAL, THE TIME DURING THE YEAR  
26 WHEN THE FESTIVAL IS REQUIRED TO TAKE PLACE, AND OTHER  
27 GUARDRAILS AS DETERMINED BY THE OFFICE.



1 (c) UPON COMPLETION OF THE QUALIFIED EXPENDITURES, A  
2 GLOBAL FILM FESTIVAL ENTITY THAT RECEIVED A TAX CREDIT  
3 RESERVATION FROM THE OFFICE MUST RETAIN A CERTIFIED PUBLIC  
4 ACCOUNTANT LICENCED TO PRACTICE IN THE STATE OR A CERTIFIED  
5 PUBLIC ACCOUNTING FIRM THAT IS REGISTERED IN THE STATE TO REVIEW  
6 AND REPORT IN WRITING, AND IN ACCORDANCE WITH PROFESSIONAL  
7 STANDARDS, REGARDING THE ACCURACY OF THE FINANCIAL DOCUMENTS  
8 THAT DETAIL THE EXPENSES INCURRED IN THE COURSE OF THE  
9 ORGANIZATION OF THE FILM FESTIVAL IN COLORADO. THE CERTIFIED  
10 PUBLIC ACCOUNTANT'S WRITTEN REPORT MUST INCLUDE DOCUMENTATION  
11 OF THE GLOBAL FILM FESTIVAL ENTITY'S QUALIFIED EXPENDITURES. THIS  
12 REPORT MUST ALSO SHOW WHICH QUALIFIED EXPENDITURES OCCURRED  
13 WITHIN COLORADO AND WHICH OCCURRED OUTSIDE COLORADO  
14 ACCORDING TO STANDARDS DEVELOPED BY THE OFFICE.

15 (d) A GLOBAL FILM FESTIVAL ENTITY SHALL APPLY TO THE OFFICE  
16 FOR TAX CREDIT ISSUANCE IN ACCORDANCE WITH THE PROGRAM POLICIES  
17 AND PROCEDURES.

18 (e) WHEN THE OFFICE IS SATISFIED THAT THE GLOBAL FILM  
19 FESTIVAL ENTITY IS ELIGIBLE FOR A REFUNDABLE TAX CREDIT, THE OFFICE  
20 SHALL ISSUE TO THE GLOBAL FILM FESTIVAL ENTITY A TAX CREDIT  
21 CERTIFICATE THAT EVIDENCES THE GLOBAL FILM FESTIVAL ENTITY'S RIGHT  
22 TO CLAIM THE TAX CREDIT ALLOWED UNDER SUBSECTION (3) OF THIS  
23 SECTION. THE AMOUNT OF THE TAX CREDIT IS THE LESSER OF THE  
24 QUALIFIED EXPENDITURES CALCULATED PURSUANT TO SUBSECTION (4) OF  
25 THIS SECTION OR THE AMOUNT OF THE TAX CREDIT RESERVED PURSUANT  
26 TO SUBSECTION (6)(b) OF THIS SECTION. THE TAX CREDIT CERTIFICATE  
27 MUST INCLUDE THE TAXPAYER'S NAME, THE TAXPAYER'S SOCIAL SECURITY

1 NUMBER OR FEDERAL EMPLOYER IDENTIFICATION NUMBER, THE APPROVED  
2 TAX CREDIT AMOUNT, AND THE INCOME TAX YEAR FOR WHICH THE TAX  
3 CREDIT IS BEING ALLOWED.

4 (7) (a) AN EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY  
5 MAY APPLY TO THE OFFICE FOR THE RESERVATION OF A TAX CREDIT AT A  
6 TIME AND IN A MANNER DETERMINED BY THE OFFICE AND PUBLISHED IN  
7 THE PROGRAM POLICIES AND PROCEDURES. AN EXISTING OR SMALL  
8 COLORADO FILM FESTIVAL ENTITY MAY REQUEST A RESERVATION OF A  
9 TAX CREDIT FOR UP TO FIVE HUNDRED THOUSAND DOLLARS OR ANOTHER  
10 MAXIMUM AMOUNT AS DETERMINED BY THE OFFICE. THE APPLICATION  
11 MUST INCLUDE A STATEMENT OF INTENT BY THE EXISTING OR SMALL  
12 COLORADO FILM FESTIVAL ENTITY TO ORGANIZE A FESTIVAL IN  
13 COLORADO.

14 (b) THE OFFICE SHALL REVIEW EACH APPLICATION FOR A TAX  
15 CREDIT RESERVATION SUBMITTED BY AN EXISTING OR SMALL COLORADO  
16 FILM FESTIVAL ENTITY AND, BASED ON THE INFORMATION PROVIDED IN  
17 THE APPLICATION, THE OFFICE SHALL MAKE A DETERMINATION OF  
18 WHETHER THE EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY WILL  
19 BE ELIGIBLE TO RECEIVE A TAX CREDIT AND THE AMOUNT OF THE TAX  
20 CREDIT RESERVATION THAT WILL BE GRANTED TO THE EXISTING OR SMALL  
21 COLORADO FILM FESTIVAL ENTITY. THE OFFICE SHALL INFORM THE  
22 EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY IN WRITING AS TO  
23 WHETHER IT HAS APPROVED OR DENIED THE APPLICATION FOR A TAX  
24 CREDIT RESERVATION, THE AMOUNT OF THE RESERVATION IF APPROVED,  
25 AND THE YEARS OF THE RESERVATION. IF THE OFFICE IS MAKING A  
26 MULTI-YEAR TAX CREDIT RESERVATION, IT SHALL DOCUMENT THE  
27 MULTI-YEAR TAX CREDIT RESERVATION IN A WRITTEN CONDITIONAL

1 AGREEMENT. THE OFFICE MAY ESTABLISH AND PROVIDE WRITTEN NOTICE  
2 TO THE EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY OF THE  
3 MINIMUM FESTIVAL OPERATING REQUIREMENTS AS PART OF THE  
4 RESERVATION PROCESS FOR THE EXISTING OR SMALL COLORADO FILM  
5 FESTIVAL ENTITY TO RECEIVE A TAX CREDIT WHICH MAY INCLUDE, BUT  
6 ARE NOT LIMITED TO, THE NUMBER OF FILMS REQUIRED TO BE SCREENED,  
7 THE MARKETING BUDGET, THE LENGTH OF THE FESTIVAL IN DAYS, THE  
8 LOCATION OF THE FESTIVAL, THE TIME DURING THE YEAR WHEN THE  
9 FESTIVAL IS REQUIRED TO TAKE PLACE, AND ANY OTHER GUARDRAILS AS  
10 DETERMINED BY THE OFFICE.

11 (c) UPON COMPLETION OF THE QUALIFIED EXPENDITURES, AN  
12 EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY THAT RECEIVED  
13 APPROVAL FOR A TAX CREDIT RESERVATION FROM THE OFFICE MUST  
14 RETAIN A CERTIFIED PUBLIC ACCOUNTANT LICENCED TO PRACTICE IN THE  
15 STATE OR A CERTIFIED PUBLIC ACCOUNTING FIRM THAT IS REGISTERED IN  
16 THE STATE TO REVIEW AND REPORT IN WRITING, AND IN ACCORDANCE  
17 WITH PROFESSIONAL STANDARDS, REGARDING THE ACCURACY OF THE  
18 FINANCIAL DOCUMENTS THAT DETAIL THE EXPENSES INCURRED IN THE  
19 COURSE OF THE ORGANIZATION OF THE FILM FESTIVAL IN COLORADO. THE  
20 CERTIFIED PUBLIC ACCOUNTANT'S WRITTEN REPORT MUST INCLUDE  
21 DOCUMENTATION OF THE EXISTING OR SMALL COLORADO FILM FESTIVAL  
22 ENTITY'S QUALIFIED EXPENDITURES. THIS REPORT MUST ALSO SHOW  
23 WHICH QUALIFIED EXPENDITURES OCCURRED WITHIN COLORADO  
24 ACCORDING TO STANDARDS DEVELOPED BY THE OFFICE.

25 (d) THE EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY  
26 SHALL APPLY TO THE OFFICE FOR TAX CREDIT ISSUANCE IN ACCORDANCE  
27 WITH THE PROGRAM POLICIES AND PROCEDURES.

1 (e) WHEN THE OFFICE IS SATISFIED THAT AN EXISTING OR SMALL  
2 COLORADO FILM FESTIVAL ENTITY IS ELIGIBLE FOR A TAX CREDIT, THE  
3 OFFICE SHALL ISSUE TO THE EXISTING OR SMALL COLORADO FILM FESTIVAL  
4 ENTITY A REFUNDABLE TAX CREDIT CERTIFICATE THAT EVIDENCES THE  
5 EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY'S RIGHT TO CLAIM  
6 THE TAX CREDIT ALLOWED UNDER SUBSECTION (3) OF THIS SECTION. THE  
7 TAX CREDIT CERTIFICATE MUST INCLUDE THE TAXPAYER'S NAME, THE  
8 TAXPAYER'S SOCIAL SECURITY NUMBER OR FEDERAL EMPLOYER  
9 IDENTIFICATION NUMBER, THE APPROVED TAX CREDIT AMOUNT, AND THE  
10 CALENDAR YEAR FOR WHICH THE TAX CREDIT IS BEING ALLOWED.

11 (8) IF A CREDIT AUTHORIZED BY THIS SECTION EXCEEDS THE  
12 INCOME TAX DUE ON THE INCOME OF THE QUALIFIED GLOBAL FILM  
13 FESTIVAL ENTITY OR EXISTING OR SMALL COLORADO FILM FESTIVAL  
14 ENTITY, OR THE ENTITY IS A TAX-EXEMPT ENTITY UNDER SECTION 501  
15 (c)(3) OF THE INTERNAL REVENUE CODE THAT DOES NOT PAY COLORADO  
16 STATE INCOME TAXES, THE EXCESS TAX CREDIT MAY NOT BE CARRIED  
17 FORWARD AND ONE HUNDRED PERCENT OF THE UNCLAIMED VALUE OF THE  
18 TAX CREDIT SHALL BE REFUNDED BY THE DEPARTMENT TO THE FILM  
19 FESTIVAL ENTITY. A TAX-EXEMPT ENTITY SHALL FILE A RETURN PURSUANT  
20 TO SECTION 39-22-601 (7)(b).

21 (9) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2041.

22 **SECTION 2. Act subject to petition - effective date.** This act  
23 takes effect at 12:01 a.m. on the day following the expiration of the  
24 ninety-day period after final adjournment of the general assembly; except  
25 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
26 of the state constitution against this act or an item, section, or part of this  
27 act within such period, then the act, item, section, or part will not take

1 effect unless approved by the people at the general election to be held in  
2 November 2026 and, in such case, will take effect on the date of the  
3 official declaration of the vote thereon by the governor.