

**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. 25-0570.01 Jason Gelender x4330

**HOUSE BILL 25-1037**

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**HOUSE SPONSORSHIP**

**Marshall and Soper,**

**SENATE SPONSORSHIP**

**Frizell and Mullica,**

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**House Committees**

Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING A STATE INCOME TAX CREDIT FOR A LICENSED TEACHER**  
102 **WHO IS EMPLOYED AS A TEACHER IN A PUBLIC   SCHOOL.**

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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>.)*

For income tax years commencing on or after January 1, 2025, but before January 1, 2027, the bill allows a refundable state income tax credit, which is intended to offset the various expenses that licensed teachers often incur throughout an academic year for classroom supplies, professional development costs, supplemental educational materials, field trips, and other items that improve the quality of the educational services

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.*

that they provide, to a licensed teacher who is employed as a teacher in a public school on a full-time basis for at least one-half of an academic year (eligible teacher) during the income tax year for which the credit is claimed. The amount of the credit is \$1,000 for an eligible teacher who is employed for the equivalent of an entire academic year and \$500 for an eligible teacher who is employed for one-half of an academic year. Two eligible teachers who file a joint income tax return may each claim the credit.

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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. Credit - licensed teachers - tax preference**  
5 **performance statement - legislative declaration - definitions - repeal.**

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

7           (I) LICENSED TEACHERS WHO TEACH IN PUBLIC SCHOOLS OFTEN  
8 SPEND THEIR OWN MONEY TO PAY FOR CLASSROOM SUPPLIES,  
9 PROFESSIONAL DEVELOPMENT COSTS, SUPPLEMENTAL EDUCATIONAL  
10 MATERIALS, FIELD TRIPS, AND OTHER ITEMS THAT IMPROVE THE QUALITY  
11 OF THE EDUCATIONAL SERVICES THAT THEY PROVIDE;

12           (II) THESE ITEMS PURCHASED BY LICENSED TEACHERS WITH THEIR  
13 OWN MONEY BENEFIT THEIR STUDENTS AND THE PUBLIC, AND THE PUBLIC  
14 SHOULD BE RESPONSIBLE FOR BEARING THEIR COSTS; AND

15           (III) THE INCOME TAX CREDIT CREATED IN THIS SECTION IS  
16 INTENDED TO SHIFT SOME OF THE COSTS CURRENTLY INCURRED BY  
17 LICENSED TEACHERS WHO TEACH IN PUBLIC SCHOOLS THAT SHOULD BE  
18 INCURRED BY THE PUBLIC FROM LICENSED TEACHERS TO THE PUBLIC.

19           (b) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH  
20 REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE  
21 A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY

1 LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FURTHER FINDS AND  
2 DECLARES THAT THE PURPOSE OF THE TAX CREDIT CREATED IN THIS  
3 SECTION IS TO PROVIDE TAX RELIEF FOR ELIGIBLE TEACHERS. THE  
4 GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL MEASURE THE  
5 EFFECTIVENESS OF THE CREDIT IN ACHIEVING THIS PURPOSE BASED ON THE  
6 NUMBER AND VALUE OF CREDITS CLAIMED.

7 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
8 REQUIRES:

9 (a) "ACADEMIC YEAR" HAS THE SAME MEANING AS SET FORTH IN  
10 SECTION 22-63-103 (1).

11 (b) "ELIGIBLE FULL-TIME TEACHER" MEANS A TEACHER WHOSE  
12 FEDERAL FORM W-2 FROM A PUBLIC SCHOOL EMPLOYER INDICATES GROSS  
13 WAGE INCOME OF FORTY THOUSAND DOLLARS OR MORE.

14 (c) "ELIGIBLE PART-TIME TEACHER" MEANS A TEACHER WHOSE  
15 FEDERAL FORM W-2 FROM A PUBLIC SCHOOL EMPLOYER INDICATES GROSS  
16 WAGE INCOME OF TWENTY THOUSAND DOLLARS OR MORE BUT LESS THAN  
17 FORTY THOUSAND DOLLARS.

18 (d) "ELIGIBLE TEACHER" MEANS AN ELIGIBLE FULL-TIME TEACHER  
19 OR AN ELIGIBLE PART-TIME TEACHER.

20 (e) "ONE-HALF OF AN ACADEMIC YEAR" MEANS EITHER THE  
21 PORTION OF AN ACADEMIC YEAR THAT BEGINS IN JANUARY OF AN INCOME  
22 TAX YEAR OR THE PORTION OF AN ACADEMIC YEAR THAT ENDS IN  
23 DECEMBER OF AN INCOME TAX YEAR.

24 (f) "PUBLIC SCHOOL" MEANS A SCHOOL OF A SCHOOL DISTRICT, A  
25 CHARTER SCHOOL AUTHORIZED BY A SCHOOL DISTRICT PURSUANT TO PART  
26 1 OF ARTICLE 30.5 OF TITLE 22, A CHARTER SCHOOL AUTHORIZED BY THE  
27 STATE CHARTER SCHOOL INSTITUTE PURSUANT TO PART 5 OF ARTICLE 30.5

1 OF TITLE 22, OR A BOARD OF COOPERATIVE SERVICES CREATED AND  
2 OPERATING PURSUANT TO ARTICLE 5 OF TITLE 22.

3 (g) "TEACHER" MEANS A RESIDENT INDIVIDUAL WHO HOLDS A  
4 VALID TEACHER LICENSE OF ANY TYPE DESCRIBED IN SECTION 22-60.5-201  
5 AND IS EMPLOYED TO INSTRUCT STUDENTS IN ANY PUBLIC SCHOOL IN THE  
6 STATE.

7 (3) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
8 JANUARY 1, 2025, BUT BEFORE JANUARY 1, 2027, AN ELIGIBLE TEACHER  
9 IS ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED BY THIS  
10 ARTICLE 22 IN THE AMOUNT OF:

11 (I) ONE THOUSAND DOLLARS IF THE ELIGIBLE TEACHER IS AN  
12 ELIGIBLE FULL-TIME TEACHER; OR

13 (II) FIVE HUNDRED DOLLARS IF THE ELIGIBLE TEACHER IS AN  
14 ELIGIBLE PART-TIME TEACHER.

15 (b) TWO ELIGIBLE TEACHERS WHO FILE A JOINT RETURN MAY EACH  
16 CLAIM THE CREDIT IN THE APPLICABLE AMOUNT SPECIFIED IN EITHER  
17 SUBSECTION (3)(a)(I) OR (3)(a)(II) OF THIS SECTION.

18 (c) THE AMOUNT OF THE CREDIT UNDER THIS SECTION THAT  
19 EXCEEDS THE ELIGIBLE TEACHER'S INCOME TAXES DUE IS REFUNDED TO  
20 THE ELIGIBLE TEACHER.

21 (4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2031.

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.