

Tax Expenditure Name	Expenditure Description	Potential Review Year (State Fiscal Year)	Statutorily Required or Discretionary Review	Selected for Discretionary Review	Review Notes	Clarity	Tax Expenditure Repeal Date	CSA Report Date	CSA Report Number	Revenue Impact	Policy Considerations	Statutory Changes (Data not complete - Research still in progress)
Child Care Facility Owner Investment Credit / Facility Owner Investment Credit	A nonrefundable credit is allowed to a taxpayer who operates a licensed child care center, family child care home, or foster care home and who invests in qualified tangible personal property to be used in licensed child care center, family child care home, or foster care home. The credit is equal to 20% of the annual investment in qualified tangible personal property.	2025	Discretionary	No	Not Selected - Reviewed Previously and Expenditure Expiring/Repealed	39-22-517(1)	1/1/2026	1/1/2022	2022-TE8	\$154,458 - \$267,164	The General Assembly may want to consider: <ul style="list-style-type: none"> Establishing a statutory purpose and performance measures for the credits. Reviewing the effectiveness of the credits and either repealing them or making changes to increase their impact, non-substantive changes related to the changes for the administrative move of the DEC to COEC in the Governor's office and the repeal of a different tax expenditure (Individual and Corporate investment tax credits) 	HB 24-1036 adds an expiration date of 1/1/2026 to the tax expenditure
Employer Child Care Facility Investment Credit / Employer Facility Investment Credit	A nonrefundable income tax credit is allowed to employers who provide child care facilities for the benefit of their employees. The credit is equal to 10% of the employer's investment during the tax year in qualified tangible personal property to be used in the operation of the child care facility. The facility must be incidental to the employer's business and must be licensed pursuant to section 26-6-901 or 26-5.5-200, C.R.S.	2025	Discretionary	No	Not Selected - Reviewed Previously and Expenditure Expiring/Repealed	39-22-517(2)	1/1/2026	1/1/2022	2022-TE8	\$	The General Assembly may want to consider: <ul style="list-style-type: none"> Establishing a statutory purpose and performance measures for the credits. Reviewing the effectiveness of the credits and either repealing them or making changes to increase their impact, non-substantive changes related to the changes for the administrative move of the DEC to COEC in the Governor's office and the repeal of a different tax expenditure (Individual and Corporate investment tax credits) 	HB 24-1036 adds an expiration date of 1/1/2026 to the tax expenditure.
Colorado Works Program Employer Credit / Colorado Works Credit	A nonrefundable credit is allowed to Colorado employers for 20% of the annual investment they make to provide eligible services to their employees who receive public assistance pursuant to the Colorado Works Program. The credit may not be claimed for more than two years with respect to each employee.	2025	Discretionary	No	Not Selected - Reviewed Previously and Expenditure Expiring/Repealed	39-22-521	1/1/2025	1/1/2022	2022-TE4	\$	The General Assembly may want to consider: <ul style="list-style-type: none"> Amending statute to establish a statutory purpose and performance measures for the credits. Reviewing the credit's effectiveness and either repealing it or making changes to its eligibility requirements. 	HB 24-1036 repeals the tax expenditure as of 1/1/2025
Rural Broadband Equipment Refund	The Rural Broadband Equipment Refund allows broadband providers to claim a refund of state sales and use tax paid for tangible personal property that is installed in a target area for the provision of broadband service.	2025	Discretionary	No	Not Selected - Reviewed Previously and Expenditure Expiring/Repealed	39-26-129	1/1/2027	7/15/2022	2022-TE30	\$	The General Assembly may want to consider: <ul style="list-style-type: none"> Repealing the refund since it has not been used. FEJ chooses not to repeal the refund, it could consider establishing performance measures to evaluate the refund if it is used in future years. 	HB 24-1036 adds an expiration date of 1/1/2027 to the expenditure (pushed out 2 years from the original bill expiration of 1/1/2025 due to stakeholder feedback during the legislative session) and adds to the purpose of the expenditure.
Biotechnology Sales and Use Tax Refund / Biotechnology Equipment Refund	The Biotechnology Refund allows qualified biotechnology taxpayers to claim a refund for state sales and use taxes paid on the sale, storage, use, or consumption of tangible personal property to be used in Colorado directly and predominantly in research and development of certain biotechnology applications.	2025	Discretionary	No	Not Selected - Reviewed Previously and Expenditure Expiring/Repealed	39-26-402(1)	1/1/2026	1/1/2022	2022-TE9	\$	The General Assembly may want to consider: <ul style="list-style-type: none"> Establishing performance measures for the refund. Reviewing the effectiveness and whether the expenditure of 1/1/2026 (pushed out one year from original bill repeal date of 1/1/2025 due to stakeholder feedback during the legislative session) 	HB 24-1036 adds an expiration date for the expenditure of 1/1/2026 (pushed out one year from original bill repeal date of 1/1/2025 due to stakeholder feedback during the legislative session)
Residential Energy Storage System Credit	A purchaser that installs an energy storage system in a residential dwelling in this state is allowed a credit against income tax in an amount equal to ten percent of the purchase price paid by the purchaser for the energy storage system.	2025	Discretionary	No	Not Selected - Reviewed Previously and Expenditure Expiring/Repealed	39-22-546	1/1/2025					
ABLE Savings Account Contribution Deduction	Taxpayers can subtract from federal taxable income an amount equal to the portion attributable to interest and other income of a distribution under a qualified ABLE program that is distributed for the purpose of meeting qualified disability expenses of a designated beneficiary.	2025	Required	N/A	Will Review - New Expenditure	39-22-1044(0)(0)(B)	1/1/2026			N/A		

Sports Betting Tax Deductions	Sports betting operators are allowed to deduct free bets from their "net sports betting proceeds". Statute specifies the method for calculating the free bet deduction, which decreases between 2023 and 2026.	2026 Required	N/A	Will Review - New Expenditure	44-30-155(7)	N/A	TBD	<p>HB 22-1462 - Modified the free bet deduction calculation for years prior to 12/2023, then repealed the modification as of 12/2023 and replaced with a new free bet deduction calculation that decreases with the year from 2.5% to 1.75% by 2026. Clarifies that excess free bet deductions cannot be carried forward.</p> <p>HB 23-1112 amended (3)(b), (2)(a), (1)(a), (1.3)(a), and (4) introductory portion, and added (4.3), (6), and (8). HB 23-1112 added federal definition of a qualifying child.</p> <p>Created a temporary expansion of the credit for Tax Year 2024 and then starting in Tax Year 2025 adjusts the amount for inflation if inflation exceeds a certain level. The expansion is repealed 12/31/2026.</p>
Child Tax Credit	A resident individual who claims a federal child tax credit for an eligible child on the individual's federal tax return is allowed a child tax credit against their Colorado income taxes for the same tax year.	2026 Required	N/A	Will Review - New Expenditure	39-22-129	N/A	N/A	<p>HB 24-1288 creates section 39-22-129.7 to start a pilot program to identify taxpayers eligible for the credit to file an amended return for up to two prior tax years and requires the contractor to provide a report on the pilot program by 12/31/2025. The bill</p>
Senior Housing Income Tax Credit	It is an income tax credit to help income-qualified seniors afford housing. The credit amount varies based on the taxpayers income.	2025 Required	N/A	Will Review - New Expenditure	39-22-544	12/31/2022	Unknown	<p>HB 24-1053 reinstates a refundable income tax credit (credits) that was available for the income tax year commencing on January 1, 2022, so that the credit is available for the income tax year commencing on January 1, 2024, and is available in a different amount to joint filers. Notwithstanding the income-based reductions in the allowable credit amount, a taxpayer who also qualifies for a property tax and rent assistance grant or heat assistance grant during calendar year 2024 is eligible to receive the full credit amount. Section 1 of the act requires the property tax administrator to provide reports from counties related to taxpayers who are eligible for and actually claim the voter property tax exemption.</p>
Early Childhood Educator Credit	For income tax years commencing on or after January 1, 2022, but before January 1, 2026, an eligible early childhood educator is allowed a credit against their Colorado income taxes.	2025 Required	N/A	Will Review - New Expenditure	39-22-547	1/1/2026	N/A	
Reduced Cigarette Tax Rate for Modified Risk Tobacco Products	Excise taxes on reduced risk cigarette and tobacco products are levied at a lower rate than traditional cigarette and tobacco products. The tax rate, while still lower, is scheduled to increase between 2021 and 2027.	2026 Required	N/A	Will Review - New Expenditure	39-28-103	N/A		
Nicotine Products Tax Credit for Products Shipped to Out-of-State Retailers	Nicotine products, upon which excise tax has been reported and paid, are shipped or transported by the distributor to retailers without the state to be sold by those retailers... credit of such tax may be made to the distributor in accordance with regulations prescribed by the Department of Revenue.	2026 Required	N/A	Will Review - New Expenditure	39-28.6-108	N/A		
Nicotine Products Tax Credit for Products Shipped to Out-of-State Consumers	Nicotine products, upon which excise tax has been reported and paid, are shipped or transported by the distributor to a consumer without the state on or after January 1, 2021, a credit of such tax may be made to the distributor in accordance with regulations prescribed by the department.	2026 Required	N/A	Will Review - New Expenditure	39-28.6-108	N/A		
Nicotine Products Tax Credit for Products Returned to Manufacturer or Destroyed by Distributor	Nicotine products, upon which excise tax has been reported and paid, are returned to the manufacturer by the distributor or destroyed by the distributor, a credit of such tax may be made to the distributor in accordance with regulations prescribed by the department.	2026 Required	N/A	Will Review - New Expenditure	39-28.6-108	N/A		

Nicotine Products Tax Vendor Discount	Every distributor shall file a return with the department by the twentieth day of the month following the month reported and shall therewith remit the amount of tax due, but one and one-half percent of any amount remitted to cover the distributor's expense in the collection and remittance of the tax. If any distributor is delinquent in remitting the tax, other than in unusual circumstances shown to the satisfaction of the executive director of the department, the distributor is not allowed to retain any amounts to cover his or her expense in collecting and remitting the tax.	2026 Required	N/A	Will Review - New Expenditure	39-28.6-107(D)	N/A		
Reduced Nicotine Products Tax Rate for Modified Risk Tobacco Products	Establishes a lower tax rate for modified risk tobacco products. The amount is scheduled to increase between 2021 and 2027, but still be lower than non-modified risk tobacco products.	2026 Required	N/A	Will Review - New Expenditure	39-28.6-103	N/A		
Out-of-State Tobacco Sales Credit (Sales to Consumers)	Tobacco products, upon which excise tax has been reported and paid, are shipped or transported by the distributor to a consumer without the state on or after January 1, 2021, a credit of such tax may be made to the distributor in accordance with regulations prescribed by the department.	2026 Required	N/A	Will Review - New Expenditure	39-28.5-107(I)	N/A		This was initially created by HB 15-1301 as a temporary tax expenditure from 2011-2018. SB 18-179 attempted to make the credit permanent but was vetoed by the Governor so the tax expenditure expired in 2018 (which is why we did not evaluate it). In 2020, HB 20-1427 reintroduced the credit as a permanent credit for tax years beginning 2021.
Essential Hygiene Products Exemption	Exempts the sales of period products and incontinence products, including diapers, purchased on and after January 1, 2023 from sales tax.	2025 Required	N/A	Will Review - New Expenditure	39-26-7172(m) and (n)	N/A		
Reduced Tobacco Products Tax Rate for Modified Risk Tobacco Products	Establishes a lower tax rate for modified risk tobacco products. The amount is scheduled to increase between 2021 and 2027, but still be lower than non-modified risk tobacco products.	2026 Required	N/A	Will Review - New Expenditure	39-28.5-102(1) and (2)	N/A		
Regional Home Office Insurance Premium Tax Rate Reduction / Regional Home Office Rate Reduction	The Regional Home Office Rate Reduction allows insurers who maintain a qualifying regional or home office in Colorado to reduce their insurance premium tax rate from 2 percent of premiums to 1 percent.	2025 Discretionary	Yes	Selected for Re-review	10-3-2099(J)(b)	N/A	1/1/2020 2020-TE7	\$89.7 million
Employee Retirement Plan Insurance Premium Tax Deduction / Employee Retirement Plan Deduction	The Employee Retirement Plan Insurance Premium Tax Deduction allows insurers to deduct from their taxable premiums any premiums collected after 1968 for policies issued on pensions, profit-sharing, or annuity plans taken out by employers for their employees. If contributions to such plans are deductible from those employers' net income.	2025 Discretionary	Yes	Selected for Re-review	10-3-2099(I)(i)(v)	N/A	4/1/2019 2019-TE9	\$ 186,000.00
Annuities Exemption	The Annuities Exemption exempts premiums from the State's 2 percent premium tax.	2025 Discretionary	Yes	Selected for Re-review	10-3-2099(I)(i)(v)	N/A	7/1/2020 2020-TE23	\$14.5 million

<p>Excise Tax Exemption for Alcoholic Beverage Originating Outside of the U.S. / Foreign Alcohol Exemption</p>	<p>Exempts individuals from paying excise tax on up to 3 gallons (or 4 liters) of alcoholic beverages in their possession when they arrive in Colorado airports on flights originating outside the United States.</p>	<p>2025 Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>44-3-106(4)</p>	<p>N/A</p>	<p>4/1/2020 2020-TE13</p>	<p>Could not determine</p>	<p>House Bill 22-3517 expanded the exemption to all individuals entering the state from another state or a foreign country. It also increased the exempt amount of alcohol beverages to be brought into the state, for personal use and not for sale, up to the following amounts: 2.25 gallons of malt liquor and hard cider; 9 liters of various liquor; and 4 liters of agave spirits liquor.</p> <p>SB 24-190 added an additional criteria for an area to qualify as an enterprise zone: (B) NOTWITHSTANDING SUBSECTION (1)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2034, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS AN ENTERPRISE ZONE, SO LONG AS THAT AREA IS A RURAL AREA DESIGNATED AS A TIER ONE TRANSITION COMMUNITY AS DEFINED IN SECTION 8-83-502 (1)(c).</p>
<p>Enterprise Zone Partial Credits for Insurance Premium Taxes</p>	<p>Any taxpayer who is subject to the tax on insurance premiums may claim such credit or refund against such insurance premiums tax to the same extent as the taxpayer would have been able to claim such credit or refund against income tax.</p>	<p>2025 Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-30-107.6</p>	<p>N/A</p>	<p>1/1/2020 2020-TE9</p>	<p>TBD</p>	<p>SB 24-190 also provides that for 1/1/2025- SB 24-190 added an additional criteria for an area to qualify as an enterprise zone: (B) NOTWITHSTANDING SUBSECTION (1)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2034, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS AN ENTERPRISE ZONE, SO LONG AS THAT AREA IS A RURAL AREA DESIGNATED AS A TIER ONE TRANSITION COMMUNITY AS DEFINED IN SECTION 8-83-502 (1)(c).</p>
<p>Enterprise Zone Manufacturing Machinery Sales Tax Exemption / Manufacturing Machinery Sales Tax Exemption</p>	<p>Exempts from sales and use tax machinery, machine tools/parts, and related tools from the construction and repair of machinery and machine tools/parts valued in excess of \$500 that are used exclusively for manufacturing tangible personal property in an enterprise zone.</p>	<p>2025 Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-30-106</p>	<p>N/A</p>	<p>1/1/2020 2020-TE9</p>	<p>\$</p>	<p>370,000.00</p> <p>SB 24-190 also provides that for 1/1/2025- SB 24-190 added an additional criteria for an area to qualify as an enterprise zone: (B) NOTWITHSTANDING SUBSECTION (1)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2034, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS AN ENTERPRISE ZONE, SO LONG AS THAT AREA IS A RURAL AREA DESIGNATED AS A TIER ONE TRANSITION COMMUNITY AS DEFINED IN SECTION 8-83-502 (1)(c).</p>
<p>Enterprise Zone Vacant Commercial Building Rehabilitation Credit</p>	<p>A nonrefundable income tax credit is allowed to the owner or tenant of a qualified building in an enterprise zone who makes qualified expenditures for the purpose of rehabilitating the building for commercial use. The building must be at least 30 years old and have been unoccupied for at least two years. The credit is equal to 25% of the cost of rehabilitating the building and is limited to \$50,000 per building. A taxpayer is also eligible for a federal rehabilitation credit pursuant to sections 38, 46, and 47 of the Internal Revenue Code cannot claim the vacant building rehabilitation credit for the same rehabilitation expenditures.</p>	<p>2025 Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-30-105.6</p>	<p>N/A</p>	<p>1/1/2020 2020-TE9</p>	<p>\$</p>	<p>268,000.00</p> <p>SB 24-190 added an additional criteria for an area to qualify as an enterprise zone: (B) NOTWITHSTANDING SUBSECTION (1)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2034, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS AN ENTERPRISE ZONE, SO LONG AS THAT AREA IS A RURAL AREA DESIGNATED AS A TIER ONE TRANSITION COMMUNITY AS DEFINED IN SECTION 8-83-502 (1)(c).</p>
<p>Enterprise Zone Research & Experimental Credit / Research and Experimental Activities Credit / Research and Development Credit</p>	<p>An income tax credit is allowed to a taxpayer who makes expenditures in research and experimental activities conducted in an enterprise zone for the purpose of carrying out a trade or business. The credit is equal to 3% of the amount by which the taxpayer's research and experimental expenditures in the same enterprise zone over the two preceding years. The credit is divided evenly over four tax years, with 25% of the credit allowed for the tax year in which the expenditures were made and 25% of the credit allowed for each of the subsequent three tax years.</p>	<p>2025 Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-30-105.5</p>	<p>N/A</p>	<p>1/1/2020 2020-TE9</p>	<p>\$</p>	<p>643,000.00</p> <p>SB 24-190 added an additional criteria for an area to qualify as an enterprise zone: (B) NOTWITHSTANDING SUBSECTION (1)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2034, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS AN ENTERPRISE ZONE, SO LONG AS THAT AREA IS A RURAL AREA DESIGNATED AS A TIER ONE TRANSITION COMMUNITY AS DEFINED IN SECTION 8-83-502 (1)(c).</p>
<p>Enterprise Zone Agricultural Processing Employee Credit / Agricultural Processing Employee Credit</p>	<p>A nonrefundable income tax credit is allowed to an employer who operates a business facility within an enterprise zone and whose business credit value is the manufacturing or processing of agricultural commodities. The credit is \$500 for each additional employee at the business facility, averaged over the course of the year, in excess of the highest average number of employees at the facility in any prior tax year. This credit is in addition to the enterprise zone business facility new employee credit. Employees in Enhanced Rural Enterprise Zones are allowed an additional \$500 credit per employee.</p>	<p>2025 Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-30-105.11(b)</p>	<p>N/A</p>	<p>1/1/2020 2020-TE9</p>	<p>\$</p>	<p>91,000.00</p> <p>SB 24-190 added an additional criteria for an area to qualify as an enterprise zone: (B) NOTWITHSTANDING SUBSECTION (1)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2034, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS AN ENTERPRISE ZONE, SO LONG AS THAT AREA IS A RURAL AREA DESIGNATED AS A TIER ONE TRANSITION COMMUNITY AS DEFINED IN SECTION 8-83-502 (1)(c).</p>
<p>Enterprise Zone Employee Health Insurance Credit / Employee Health Insurance Credit</p>	<p>A nonrefundable income tax credit is allowed to an employer who operates a business facility within an enterprise zone and who provides a health insurance plan or program to their employees. The credit is allowed only for the first two full tax years that the employer operates the business facility in the enterprise zone and is equal to \$1,000 for each insured employee, averaged over the course of the year. To be eligible for the credit, the employer must contribute at least 50% of the total cost of the health insurance plan or program. The plan or program must comply with certain requirements imposed by law.</p>	<p>2025 Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-30-105.11(a)(1)</p>	<p>N/A</p>	<p>1/1/2020 2020-TE9</p>	<p>\$</p>	<p>504,000.00</p> <p>SB 24-190 added an additional criteria for an area to qualify as an enterprise zone: (B) NOTWITHSTANDING SUBSECTION (1)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2034, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS AN ENTERPRISE ZONE, SO LONG AS THAT AREA IS A RURAL AREA DESIGNATED AS A TIER ONE TRANSITION COMMUNITY AS DEFINED IN SECTION 8-83-502 (1)(c).</p>
<p>Enterprise Zone New Employee Credit / New Employee Credit</p>	<p>A nonrefundable income tax credit is allowed to an employer who operates a business facility within an enterprise zone. The credit is equal to \$1,000 for each additional employee at the business facility, averaged over the course of the year, in excess of the highest average number of employees at the facility in any prior tax year. Employees in Enhanced Rural Enterprise Zones are allowed an additional \$2,000 for each additional employee.</p>	<p>2025 Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-30-105.11(a)(4)</p>	<p>N/A</p>	<p>1/1/2020 2020-TE9</p>	<p>\$</p>	<p>3,583,000.00</p> <p>SB 24-190 added an additional criteria for an area to qualify as an enterprise zone: (B) NOTWITHSTANDING SUBSECTION (1)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2034, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS AN ENTERPRISE ZONE, SO LONG AS THAT AREA IS A RURAL AREA DESIGNATED AS A TIER ONE TRANSITION COMMUNITY AS DEFINED IN SECTION 8-83-502 (1)(c).</p>

<p>Enterprise Zone Qualified Job Training Program Investment Tax Credit / Job Training Program Investment Tax Credit / Employee Training Credit</p>	<p>A nonrefundable income tax credit is allowed to a taxpayer who invests in a qualified job training program for employees who work predominantly within an enterprise zone. The credit is equal to 12% of the qualified investment. Qualified investments may include investments in real property and capital equipment, as well as other expenses that meet the applicable requirements.</p>	<p>2025</p>	<p>Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-30-1044(j)(1)</p>	<p>N/A</p>	<p>1/1/2020 2020-T19</p>	<p>\$</p>	<p>1,598,000.00</p>	<p>THE GENERAL ASSEMBLY MAY WANT TO CONSIDER WHETHER THE ENTERPRISE ZONE TAX EXPENDITURES ARE MEETING THEIR INTENDED PURPOSE AND ESTABLISH PERFORMANCE MEASURES TO CLARIFY ITS INTENT FOR EVALUATING THEIR EFFECTIVENESS. THE GENERAL ASSEMBLY MAY WANT TO CONSIDER AMENDING STATUTE TO BETTER TARGET THE ENTERPRISE ZONE TAX EXPENDITURES AND IMPROVE THEIR EFFECTIVENESS. THE GENERAL ASSEMBLY MAY WANT TO CONSIDER WHETHER THE STATE SHOULD ESTABLISH ITS OWN NET OPERATING LOSS CARRYFORWARD PERIOD RATHER THAN CONFORMING TO THE FEDERAL INDEFINITE CARRYFORWARD PERIOD. THE GENERAL ASSEMBLY MAY WANT TO CONSIDER CLARIFYING WHETHER THE ANNUAL FEDERAL NET OPERATING LOSS DEDUCTION CAP APPLIES IN COLORADO; act partially decouples the corporate net operating loss deduction from the federal net operating loss deduction by retaining the state's carryforward period to 20 years for net operating losses generated in income tax years commencing on or after January 1, 2021. The act also repeals a state provision that was effective only for financial institutions, so that, for purposes of the period of years a loss can be carried forward, financial institutions will now be treated the same as any other taxpayer's tax years commencing on or after January 1, 2021. (1/21/2019) added (HB 20-1022), ch. 3 p. 2021. Very technical. Needs supervision.</p>	<p>SB 24-190 added an additional criteria for an area to qualify as an enterprise zone. (B) NOTWITHSTANDING SUBSECTION (1)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2034, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS AN ENTERPRISE ZONE, SO LONG AS THAT AREA IS A RURAL AREA DESIGNATED AS A TIER ONE TRANSITION COMMUNITY AS DEFINED IN SECTION 8-83-502 (10). SB 24-190 also provides that for 1/1/2025, 2025 changes under HB 20-1022 and HB 20-1024 (in database). The act partially decouples the corporate net operating loss deduction from the federal net operating loss deduction by retaining the state's carryforward period to 20 years for net operating losses generated in income tax years commencing on or after January 1, 2021. The act also repeals a state provision that was effective only for financial institutions, so that, for purposes of the period of years a loss can be carried forward, financial institutions will now be treated the same as any other taxpayer's tax years commencing on or after January 1, 2021. (1/21/2019) added (HB 21-1002), ch. 3 p. 2021. SB 24-190B modifies the commercial vehicle investment tax fund in 40-120, C.R.S. to appropriate money from the fund to cover this tax credit. It does not directly amend this statute.</p>
<p>Colorado Net Operating Loss Deduction for Corporations / Colorado Net Operating Loss Deduction</p>	<p>The Colorado Net Operating Loss Deduction for Corporations allows C corporations to deduct net operating losses (39-22-504) from prior tax years from their Colorado taxable income.</p>	<p>2025</p>	<p>Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-22-3043(g)</p>	<p>N/A</p>	<p>7/1/2019 2019-TE16</p>	<p>\$</p>	<p>\$154,800,000 to \$308,200,000</p>	<p>THE GENERAL ASSEMBLY MAY WANT TO CONSIDER WHETHER THE ENTERPRISE ZONE TAX EXPENDITURES ARE MEETING THEIR INTENDED PURPOSE AND ESTABLISH PERFORMANCE MEASURES TO CLARIFY ITS INTENT FOR EVALUATING THEIR EFFECTIVENESS. THE GENERAL ASSEMBLY MAY WANT TO CONSIDER AMENDING STATUTE TO BETTER TARGET THE ENTERPRISE ZONE TAX EXPENDITURES AND IMPROVE THEIR EFFECTIVENESS. SB 23-280 sought to modify the tax credit and make it available for "innovative motor vehicles and trucks" (i.e. for the conversion, lease, or purchase of a: 1. fuel-renewable fuel truck, electric, hybrid, low nitrogen oxide, plug-in hybrid electric, or zero-emission fuel truck that is</p>	<p>HB 21-1311 excludes dividends received from a C Corp incorporated in certain foreign jurisdictions for tax avoidance. (B) Any amount treated as a section 78 dividend under section 78 of the internal revenue code IS EXCLUDED ANY AMOUNT TREATED UNDER SECTION 78 AS A DIVIDEND RECEIVED FROM A C CORPORATION INCORPORATED IN A FOREIGN JURISDICTION FOR THE PURPOSE OF TAX AVOIDANCE PURSUANT TO SECTION 39-22-303 (B)(10)(I). HB 21-1022 amended (1)(A) and renumbered 2(a).</p>
<p>Enterprise Zone Commercial Vehicle Investment Tax Credit / Commercial Vehicle Investment Tax Credit</p>	<p>A nonrefundable income tax credit may be allowed to a taxpayer who makes a qualified investment in commercial truck, tractor, tractor, or semitractor and any parts for such vehicle purchased at the same time. The truck, tractor, or trailer must be licensed and registered in Colorado and must be predominantly housed and based at the taxpayer's business including facility located within an enterprise zone for the twelve-month period following its purchase. The credit is limited to 1.5% of the qualified investment and is subject to available funding in the commercial vehicle enterprise tax fund.</p>	<p>2025</p>	<p>Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-30-1043(d)</p>	<p>N/A</p>	<p>1/1/2020 2020-T19</p>	<p>\$</p>	<p>2,100,000.00</p>	<p>THE GENERAL ASSEMBLY MAY WANT TO CONSIDER WHETHER THE ENTERPRISE ZONE TAX EXPENDITURES ARE MEETING THEIR INTENDED PURPOSE AND ESTABLISH PERFORMANCE MEASURES TO CLARIFY ITS INTENT FOR EVALUATING THEIR EFFECTIVENESS. THE GENERAL ASSEMBLY MAY WANT TO CONSIDER AMENDING STATUTE TO BETTER TARGET THE ENTERPRISE ZONE TAX EXPENDITURES AND IMPROVE THEIR EFFECTIVENESS. SB 23-280 sought to modify the tax credit and make it available for "innovative motor vehicles and trucks" (i.e. for the conversion, lease, or purchase of a: 1. fuel-renewable fuel truck, electric, hybrid, low nitrogen oxide, plug-in hybrid electric, or zero-emission fuel truck that is</p>	<p>SB 24-190 added an additional criteria for an area to qualify as an enterprise zone. (B) NOTWITHSTANDING SUBSECTION (1)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2034, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS AN ENTERPRISE ZONE,</p>
<p>Corporate Deduction for Dividends (Under Section 78 of the Internal Revenue Code) / IRC 78 Deduction</p>	<p>This deduction allows corporations that have dividends from foreign subsidiaries added to their federal taxable income under Section 78 of the Internal Revenue Code (IRC 78) to deduct the amount treated as IRC 78 dividends from their federal taxable income when computing Colorado taxable income.</p>	<p>2025</p>	<p>Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-22-3043(j)</p>	<p>N/A</p>	<p>7/1/2019 2019-TE24</p>	<p>+</p>	<p>\$51,400,000</p>	<p>THE GENERAL ASSEMBLY MAY WANT TO CONSIDER WHETHER THE ENTERPRISE ZONE TAX EXPENDITURES ARE MEETING THEIR INTENDED PURPOSE AND ESTABLISH PERFORMANCE MEASURES TO CLARIFY ITS INTENT FOR EVALUATING THEIR EFFECTIVENESS. THE GENERAL ASSEMBLY MAY WANT TO CONSIDER AMENDING STATUTE TO BETTER TARGET THE ENTERPRISE ZONE TAX EXPENDITURES AND IMPROVE THEIR EFFECTIVENESS. THE GENERAL ASSEMBLY MAY WANT TO CONSIDER AMENDING STATUTE TO BETTER TARGET THE ENTERPRISE ZONE TAX EXPENDITURES AND IMPROVE THEIR EFFECTIVENESS. Repairs the reference to "in business to hire at least 3 new hires (instead of 5)" for areas with populations under 100,001.</p>	<p>HB 20-1003 extended program to 1/1/2026. SB 21-229 Added performance measures for the tax expenditures in general, but nothing specific to the sales and use tax refund. If the General Assembly chooses to extend the Program for future years, it may want to consider adjusting the Program's parameters, such as the statutory requirements for participating businesses, in order to make the Program more useful for rural communities.</p>
<p>Enterprise Zone Investment Tax Credit</p>	<p>A nonrefundable income tax credit is allowed to a taxpayer who makes a qualified investment in section 38 property that used solely and exclusively in an enterprise zone for at least one year. The credit is equal to 3% of the total qualified investment made during the tax year. The credit may be used therefor are subject to various limitations and restrictions prescribed by state statute and the Internal Revenue Code as it existed immediately prior to the enactment of the federal Revenue Reconciliation act of 1995. The credit is generally capped at the lesser of \$750,000, or \$5,000 plus 50 percent of the taxpayer's tax liability in excess of \$5,000.</p>	<p>2025</p>	<p>Discretionary</p>	<p>No</p>	<p>Not Selected for Re-review</p>	<p>39-30-1041(a)</p>	<p>N/A</p>	<p>1/1/2020 2020-T19</p>	<p>\$</p>	<p>16,397,000.00</p>	<p>THE GENERAL ASSEMBLY MAY WANT TO CONSIDER WHETHER THE ENTERPRISE ZONE TAX EXPENDITURES ARE MEETING THEIR INTENDED PURPOSE AND ESTABLISH PERFORMANCE MEASURES TO CLARIFY ITS INTENT FOR EVALUATING THEIR EFFECTIVENESS. THE GENERAL ASSEMBLY MAY WANT TO CONSIDER AMENDING STATUTE TO BETTER TARGET THE ENTERPRISE ZONE TAX EXPENDITURES AND IMPROVE THEIR EFFECTIVENESS. Repairs the reference to "in business to hire at least 3 new hires (instead of 5)" for areas with populations under 100,001.</p>	<p>SB 24-190 added an additional criteria for an area to qualify as an enterprise zone. (B) NOTWITHSTANDING SUBSECTION (1)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2034, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF MUNICIPALITIES OR COUNTIES TO BE DESIGNATED AS AN ENTERPRISE ZONE, SO LONG AS THAT AREA IS A RURAL AREA DESIGNATED AS A TIER ONE TRANSITION COMMUNITY AS DEFINED IN SECTION 8-83-502 (10).</p>
<p>RURAL JUMP-START NEW BUSINESS SALES TAX REFUND</p>	<p>Allows rural jump-start new business to claim a sales tax refund for purchases items that will be used in the Rural Jump Start Zone.</p>	<p>2025</p>	<p>Discretionary</p>	<p>Yes</p>	<p>Selected for Re-review</p>	<p>39-30-5-105(B)</p>	<p>1/1/2031</p>	<p>1/1/2020 2020-TE2</p>	<p>\$</p>	<p>\$80,000</p>	<p>IF THE GENERAL ASSEMBLY CHOOSES TO EXTEND THE PROGRAM, IT MAY WANT TO REVIEW THE EFFECTIVENESS OF THE CURRENT PROGRAM STRUCTURE AND REQUIREMENTS. Additional program changes include reporting on metrics and program requirements for participating businesses.</p>	<p>HB 24-1001 extended the tax credits to 1/1/2023 and the grant program 1/1/2025. Also amends qualifications for a new business to hire at least 3 new hires (instead of 5) for areas with populations under 100,001.</p>
<p>RURAL JUMP-START NEW HIRE INCOME TAX CREDIT</p>	<p>Allows Rural jump-start business to claim a new hire income tax credit for eligible employees.</p>	<p>2025</p>	<p>Discretionary</p>	<p>Yes</p>	<p>Selected for Re-review</p>	<p>39-30-5-105(2)</p>	<p>1/1/2031</p>	<p>1/1/2020 2020-TE2</p>	<p>\$</p>	<p>28,947,000</p>	<p>IF THE GENERAL ASSEMBLY CHOOSES TO EXTEND THE PROGRAM, IT MAY WANT TO REVIEW THE EFFECTIVENESS OF THE CURRENT PROGRAM STRUCTURE AND REQUIREMENTS. Additional program changes include reporting on metrics and program requirements for participating businesses.</p>	<p>HB 20-1003 extended program to 1/1/2026 and added reporting metric requirements to allow for evaluation on clear, relevant, and ascertainable metrics and data from the Commission. HB 24-1001 extended the tax credits to 1/1/2023 and the grant program 1/1/2025. Also amends qualifications for a new business to hire at least 3 new hires (instead of 5) for areas with populations under 100,001.</p>
<p>Rural Jump-start New Business Income Tax Credit / New Business Credit</p>	<p>The Rural Jump-start New Business Income Tax Credit provides new businesses with a credit equal to 100 percent of their annual income tax liability on business activities that occur in the rural jump-start zone.</p>	<p>2025</p>	<p>Discretionary</p>	<p>Yes</p>	<p>Selected for Re-review</p>	<p>39-30-5-105(1A)(1)</p>	<p>1/1/2031</p>	<p>1/1/2020 2020-TE2</p>	<p>\$</p>	<p>24,197,000</p>	<p>IF THE GENERAL ASSEMBLY CHOOSES TO EXTEND THE PROGRAM, IT MAY WANT TO REVIEW THE EFFECTIVENESS OF THE CURRENT PROGRAM STRUCTURE AND REQUIREMENTS. Additional program changes include reporting on metrics and program requirements for participating businesses.</p>	<p>HB 20-1003 extended program to 1/1/2026 and added reporting metric requirements to allow for evaluation on clear, relevant, and ascertainable metrics and data from the Commission. HB 24-1001 extended the tax credits to 1/1/2023 and the grant program 1/1/2025. Also amends qualifications for a new business to hire at least 3 new hires (instead of 5) for areas with populations under 100,001.</p>

Oil and Gas Severance Tax Ad Valorem Credit / Ad Valorem Credit	The Oil and Gas Severance Tax Ad Valorem Credit allows taxpayers to claim a credit of 87.5 percent (until 1/1/2024) of the ad valorem (real property) taxes assessed or paid to a local government on oil and gas produced to offset their severance tax liability. For tax years 2024-2026 the credit is 75% and thereafter the credit is calculated by a formula (credit = 85% * Gross Income * Mill Levies).	2029	Discretionary	TBD	May Re-Review	39-29-105(2)(b)	N/A	7/1/2020	2020-TE24	\$308.7 million	<p>Reviewing whether the Ad Valorem Credit is meeting its intended purpose because:</p> <ul style="list-style-type: none"> -We were not able to definitively identify its original intended purpose. -It is less effective at equalizing combined real property and severance taxes when properties are located in areas with relatively larger differences in mill levy rates. -It contributes to state severance tax revenue being less predictable due to its operation. House Bill 22-1391 changes the amount of the credit beginning in 2025, changing the credit from a flat 87.5% of ad valorem taxes assessed, to a credit calculated based on a formula (Credit = 0.7656 x Gross Income x Mill Levies). <p>HB 23-1391 amend (2)(b); and add (2)(c) HB 23-1372 amend (2)(b) and (2)(c) introductory portion; and add (2)(d)</p>
Oil and Gas Severance Tax Deduction for Transportation Costs	The Deductions allow taxpayers to deduct transportation, manufacturing, and processing costs when calculating their gross income for oil and gas severance tax purposes.	2025	Discretionary	Yes	Selected for Re-review	39-29-102(3)(a)	N/A	7/1/2020	2020-TE16	\$240.8 million (combined with manufacturing and processing costs deduction)	<p>House Bill 21-1312 clarified that only direct costs actually paid by the taxpayer are eligible.</p>
Oil and Gas Severance Tax Deduction for Manufacturing and Processing Costs	The Deductions allow taxpayers to deduct transportation, manufacturing, and processing costs when calculating their gross income for oil and gas severance tax purposes.	2025	Discretionary	Yes	Selected for Re-review	39-29-102(3)(a)	N/A	7/1/2020	2020-TE16	\$240.8 million (combined with transportation costs deduction)	<p>House Bill 21-1312 clarified that only direct costs actually paid by the taxpayer are eligible.</p>
Excise Tax Credit for Unusable Cigarettes Returned to Manufacturer or Destroyed by Distributor / Unusable Cigarettes Credit	Allows cigarette wholesalers to claim a credit for taxes paid on unusable cigarettes that have been returned to the manufacturer or destroyed by the wholesaler.	2025	Discretionary	No	Not Selected for Re-review	39-28-104(3)	N/A	1/1/2020	2020-TE5	\$	286,000.00 None
Cigarette Excise Tax Stamp Discount / Cigarette Stamp Discount	The Cigarette Stamp Discount allows cigarette wholesalers to purchase cigarette stamps from the Department of Revenue at a 0.5024 percent discount of their face value. Wholesalers pay the cigarette excise tax by purchasing stamps, which provide evidence the taxes have been paid.	2025	Discretionary	No	Not Selected for Re-review	39-28-104(1)(a)	N/A	1/1/2020	2020-TE6	\$1.43 million	None
Energy Used for Industrial & Manufacturing Purposes Exemption / Industrial Energy Exemption	The Industrial Energy Exemption exempts sales or purchases of electricity, coal, gas, fuel oil, steam, coke, or nuclear fuel used for industrial or manufacturing purposes from state sales tax.	2025	Discretionary	Yes	Selected for Re-review	39-26-102(2)(a)	N/A	7/1/2019	2019-TE20	\$15.2 million to \$87.9 million	<p>Taxpayers may lack adequate guidance on how to claim the exemption and calculate the exemption amount. Specifically, the Department of Revenue no longer provides detailed guidance on how to claim it, although its staff reported efforts to improve guidance in the future. Alternatively, the General Assembly may want to consider simplifying the administration of the Industrial Energy Exemption by allowing taxpayers to claim a flat percentage of their total energy use.</p>
Machinery Used in Manufacturing Exemption / Machinery Exemption	The Machinery Used in Manufacturing Exemption allows purchases greater than \$500 of machinery used predominantly and directly in manufacturing to be exempt from taxation.	2025	Discretionary	Yes	Selected for Re-review	39-26-709	N/A	1/1/2021	2021-TE6	\$45 million maximum	<p>The General Assembly may want to consider establishing a statutory purpose and performance measures.</p>
Excise Tax Credit for Tobacco Products Shipped Outside the State to Retailers / Out-of-State Tobacco Sales Credit	The Out-of-State Tobacco Sales Credit allows tobacco products distributors to claim a credit for excise taxes paid on tobacco products that are shipped to retailers outside of Colorado.	2025	Discretionary	No	Not Selected for Re-review	39-28.5-107(1)	N/A	1/1/2020	2020-TE5	\$5.2 million	None

Medical Supplies Exemption: Prescription drugs	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	39-26-7172(6a)	N/A	4/1/2020 2020-TE10	\$216 million (all medical supplies exemptions combined)	None
Medical Supplies Exemption: Insulin	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	39-26-7172(6b)	N/A	4/1/2020 2020-TE10	\$216 million (all medical supplies exemptions combined)	None
Medical Supplies Exemption: Glucose for the treatment of insulin reactions	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	39-26-7172(6c)	N/A	4/1/2020 2020-TE10	\$216 million (all medical supplies exemptions combined)	None
Medical Supplies Exemption: Urine and blood testing kits and materials	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	39-26-7172(6e)	N/A	4/1/2020 2020-TE10	\$216 million (all medical supplies exemptions combined)	None
Medical Supplies Exemption: Insulin measuring and injecting devices, including hypodermics, syringes and needles.	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	39-26-7172(6e)	N/A	4/1/2020 2020-TE10	\$216 million (all medical supplies exemptions combined)	None
Medical Supplies Exemption: Prosthetic devices	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	39-26-7172(6f)	N/A	4/1/2020 2020-TE10	\$216 million (all medical supplies exemptions combined)	None
Medical Supplies Exemption: Oxygen delivery equipment and related supplies	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	39-26-7172(6g)	N/A	4/1/2020 2020-TE10	\$216 million (all medical supplies exemptions combined)	None
Medical Supplies Exemption: Medical, feeding, and disposable supplies for incontinence, infusers, enteral nutrition, ostomy, wryology, diabetic care, and wound care	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	39-26-7172(6h)	N/A	4/1/2020 2020-TE10	\$216 million (all medical supplies exemptions combined)	None

Medical Supplies Exemption: Equipment and accessories for sleep therapy, inhalation therapy, and electrotherapy	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	19-26-717(2)(b)	N/A	4/1/2020	2020-TE10	\$216 million (all medical supplies exemptions combined)	None
Medical Supplies Exemption: Durable medical equipment & mobility enhancing equipment	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	19-26-717(2)(b)	N/A	4/1/2020	2020-TE10	\$216 million (all medical supplies exemptions combined)	None
Medical Supplies Exemption: Nonprescription drugs or medical materials furnished as part of professional services	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	19-26-717(2)(b)	N/A	4/1/2020	2020-TE10	\$216 million (all medical supplies exemptions combined)	None
Medical Supplies Exemption: Corrective eyeglasses, contact lenses, or hearing aids	The Medical Supplies Exemptions allow purchases of certain medical supplies to be exempted from Colorado state sales tax, sometimes requiring that the items be dispensed pursuant to a prescription in order for the exemption to apply.	2025	Discretionary	No	Not Selected for Re-review	19-26-717(2)(b)	N/A	4/1/2020	2020-TE10	\$216 million (all medical supplies exemptions combined)	None
Tobacco Products Excise Tax Vendor Allowance / Tobacco Vendor Allowance	The Tobacco Vendor Allowance allows tobacco products distributors to retain 1.665 percent of the tobacco products excise taxes.	2025	Discretionary	No	Not Selected for Re-review	19-28-5-106(2)	N/A	1/1/2020	2020-TE6	\$	760,000.00
Agricultural Applicator Aircraft Fuel Tax Exemption / Agricultural Aircraft Exemption	The Agricultural Applicator Aircraft Fuel Tax Exemption allows agricultural applicator aircraft operators that use private landing facilities that are used solely and exclusively for agricultural applications to dispense pesticides, fertilizers, and seeds over farmland and ranchland to apply for a 50 percent refund for any fuel excise taxes paid on the purchase of aviation fuel that is used for this purpose.	2025	Discretionary	Yes	Selected for Re-review	19-27-109(3)(a)(B)(D)	N/A	7/1/2019	2019-TE15	Could not determine	None
Interstate Sales of Alcohol Excise Tax Exemption / Interstate Sales of Alcohol Exemption	The Interstate Sales of Alcohol Excise Tax Exemption allows manufacturers and distributors of alcoholic beverages to deduct or receive a refund for the tax they had paid on alcoholic beverages that are sold or transferred to a manufacturer, distributor, wholesaler, retailer, or consumer outside the State of Colorado.	2025	Discretionary	No	Not Selected for Re-review	44-3-501(1)(a)	N/A	7/1/2019	2019-TE21	\$25 million	None
Federal Premium, Excise, and Stamp Tax Deduction	Allows a deduction for the amount of premiums on which certain other federal or non-federal taxes were paid if such taxes were 2.25 percent or more.	2025	Discretionary	No	Not Selected for Re-review	10-3-909(1)	N/A	1/1/2020	2020-TE1	Could not determine	None

2019(1)(a) and (b) amended (SB 19-011), ch. 1, p. 14, 1-24, effective January 1; (1)(b) amended (SB 19-142), ch. 421, p. 3686, § 2, effective September 1. SB 19-011 changed the language regarding fermented malt beverages and excluded 44-6-101 which changed the eligibility requirements for licensing to retailers. SB 19-142 excluded the produce used in the production of hard cider.

The General Assembly may want to consider the following: Repealing or modifying the Federal Premium, Excise, and Stamp Tax Deduction because it does not appear to align with other insurance provisions in its treatment of unadmitted insurance.

Yes HB 23-111 was a Legislative Tax Policy Committee bill that increased the tax rate to 3% in line with the rate for surplus line coverage from nonadmitted insurers for tax parity.

Independently procured insurance Exemption	Exempt premiums from unauthorized insurance premium tax if the taxpayer already paid regular or surplus line premium tax on the unauthorized insurance premiums. Additional statutory reference: 10-3-905(1) and (2)	2025	Discretionary	No	Not Selected for Re-review	10-3-909(1)	N/A	1/1/2020 2020-TE1	Could not determine	3%	Evaluating whether the unauthorized insurance premium tax rate is accomplishing its purpose, since unauthorized insurance taxed at a lower rate than other similar forms of insurance increased the unauthorized insurance premium tax rate to 3%.	Yes HB 23-1111 was a legislative Tax Policy Committee bill that increased the tax rate to 3% in the bill the rate for surplus line coverage from nonadmitted insurers for tax parity.
Surplus Lines Insurance Tax and Examination Fee Deduction / Surplus Lines Deduction	The Surplus Lines Deduction allows taxpayers to deduct from their gross premiums "sums collected to cover federal and other state taxes and examination fees" subject to the surplus lines premium tax.	2025	Discretionary	No	Not Selected for Re-review	10-5-111(1)	N/A	9/1/2019 2019-TE29	Could not determine	None	2024 (HB4-1110), ch. 38, § 1, effective March 22, 2024. added that "All taxes, penalties, fees, fees, and associated filings required pursuant to this section must be submitted to the division of insurance through a secure web-based application system identified by the division of insurance," and allow them to contract with a third party and that third party might charge the taxpayer for the service.	
Captive Return Premium Exemption	Allows captives to not include in their taxable premiums "return premiums," which include any amounts returned or credited to policyholders due to dividends issued, early cancellation of their policies, overpayments, errors, audits, or reductions in coverage.	2025	Discretionary	No	Not Selected for Re-review	10-6-128(1)	N/A	9/1/2019 2019-TE27	Could not determine	None	Last published in 2019. 2021 changes under HB 21-1111 clarified that the expenditure does not apply to "disqualified insurance companies" (10-5-102(5), C.R.S.) (i.e., a COMPANY LICENSED AS A CAPTIVE INSURANCE COMPANY... WITH GROSS RECEIPTS FOR THE TAXABLE YEAR THAT CONSTITUTE FIFTY PERCENT OR LESS OF PREMIUMS... THAT CONSTITUTE INSURANCE).	
Captive Receipt of Assets Exemption	Allows captives to not include any assets that they receive "in exchange for the assumption of existing loss reserves and other liabilities" in their taxable premiums.	2025	Discretionary	No	Not Selected for Re-review	10-6-128(2)(a)	N/A	9/1/2019 2019-TE27	Could not determine	None	Last published in 2019. 2021 changes under HB 21-1111 clarified that the expenditure does not apply to "disqualified insurance companies" (10-5-102(5), C.R.S.) (i.e., a COMPANY LICENSED AS A CAPTIVE INSURANCE COMPANY... WITH GROSS RECEIPTS FOR THE TAXABLE YEAR THAT CONSTITUTE FIFTY PERCENT OR LESS OF PREMIUMS... THAT CONSTITUTE INSURANCE).	
Deduction for Individuals, Estates, and Trusts for Income from the Disposition of Assets Having a Higher Adjusted Basis for Colorado Tax Purposes Than Federal Tax Purposes / Disposition of Assets Deduction	This deduction allows individuals, estates, and trusts to subtract from their federal taxable income when calculating Colorado taxable income, the portion of any gain or loss from the sale or other disposition of property having a higher adjusted basis for Colorado income tax purposes than for federal income tax purposes.	2025	Discretionary	No	Not Selected for Re-review	39-22-1044(b)	N/A	7/1/2019 2019-TE18	Minimal	None		
Exemption for Alcohol Produced by Individuals for Personal Use / Homemade Alcohol Exemption	The Exemption for Alcohol Produced by Individuals for Personal Use exempts Colorado adult residents from paying state excise tax on beer, wine, or cider they produce at home for personal use and not for sale.	2025	Discretionary	No	Not Selected for Re-review	44-3-1062(c)	N/A	4/1/2020 2020-TE11	Less than \$500,000	None		
Deduction for Corporations for Income from the Disposition of Assets Having a Higher Adjusted Basis for Colorado Tax Purposes Than Federal Tax Purposes / Disposition of Assets Deductions	This deduction allows corporations to subtract from their federal taxable income when calculating Colorado taxable income, the portion of any gain or loss from the sale or other disposition of property having a higher adjusted basis for Colorado income tax purposes than for federal income tax purposes.	2025	Discretionary	No	Not Selected for Re-review	39-22-3043(c)	N/A	7/1/2019 2019-TE18	Minimal	None		
Oil Shale Non-commercial Production Severance Tax Exemption / Non-commercial Production Exemption	The Oil Shale Non-Commercial Production Severance Tax Exemption exempts from the severance tax the production of the first 15,000 tons per day of oil shale or 30,000 barrels per day of shale oil, whichever is greater, at each oil shale facility. The daily production amount is calculated by dividing the total production in a given calendar month by the total number of days in that month.	2025	Discretionary	No	Not Selected for Re-review	39-29-1073	N/A	7/1/2020 2020-TE19	\$	11.00	Making changes to the Oil Shale Severance Tax Expenditures because the oil shale industry is not commercially viable and may not become commercially viable in the near future. LTC 2021-35, C.R.S. 1.1 This provision was not	HB 23-1121 was intended to repeal this exemption by eliminating Section 39-29-1073 and 11, C.R.S. However, the bill did not repeal all provisions relevant to this exemption, so it's possible that the exemption may still be available. Specifically, the oil shale severance tax is imposed on "the gross proceeds from each commercial oil shale facility" (Section 39-29-1071(1)(b), C.R.S.). Statute does not define "commercial oil shale facility," but it does state that "Commercial production, for a commercial oil shale facility, means production from such facility in excess of the first fifteen thousand tons per day of oil shale or ten thousand barrels per day of shale oil, whichever is greater" (Section 39-29-1071-35, C.R.S. 1.1). This provision was not

Oil and Gas Severance Tax Stripper Well Exemption / Stripper Well Exemption	<p>The Stripper Well Exemption exempts from the oil and gas severance tax gross income from oil produced from wells that produce 15 barrels per day or less and gas produced from wells that produce 90 thousand cubic feet (MCF) or less per day for the average of all producing days during the taxable year.</p>	2025	Discretionary	No	Not Selected for Re-review	39-29-105(1)(b)	N/A	7/1/2020 2020-TE22	\$6.2 million	<p>L. 2022 (1)(b) amended and (2)(c) added (HB 23-1181), ch. 401, p. 2816, 5-2, effective August 20.</p> <p>The equation to calculate the amount of the tax credit was added to the section.</p> <p>L. 2023 (1)(b) and (1)(2)(c) amended and (2)(c) added (HB 23-1171), ch. 747, p. 808, 5-11, effective May 11.</p> <p>(1) Revising whether the Stripper Well Exemption continues to meet its intent due to changes in the energy industry since it was created.</p> <p>(2) Restructuring the Stripper Well Exemption so that it is not available when oil or gas prices fall below certain thresholds.</p> <p>FILED LEGISLATION: House Bill 24-1367 House Bill 24-1367 did not pass beyond the House Finance Committee. The bill would have repealed the Oil and Gas Severance Tax Stripper Well Exemption beginning in 2025.</p>	
Oil Shale Royalty Payments Severance Tax Deduction / Royalty Payments Deduction / Netback Expense Deductions	<p>In the oil and gas industry, many companies extracting the resources do not own the land from which the resource is being extracted. As a result, these companies enter into partnerships with resource owners that entitle the owners to royalty payments, often calculated as a percentage of the operator's revenue. The Equity Payments Deduction allows oil shale producers that have entered into similar contracts to subtract from the first sales price of shale oil any amounts paid to resource owners as royalties.</p>	2025	Discretionary	No	Not Selected for Re-review	39-29-1024(c)	N/A	7/1/2020 2020-TE19	\$	<p>Making changes to the Oil Shale Severance Tax Expenditures because the oil shale industry is not commercially viable and may not become commercially viable in the near future.</p> <p>HB 23-1121 repealed this exemption</p>	
Oil Shale Processing Severance Tax Deduction / Processing Deduction / Netback Expense Deductions	<p>The Processing Deduction allows oil shale producers to subtract from the first sales price of shale oil the cost of certain processing steps taken to convert the oil shale rock into saleable shale oil including fragmenting, pyrolysis, storing, refining, and transporting.</p>	2025	Discretionary	No	Not Selected for Re-review	39-29-1024(b)	N/A	7/1/2020 2020-TE19	\$	<p>Making changes to the Oil Shale Severance Tax Expenditures because the oil shale industry is not commercially viable and may not become commercially viable in the near future.</p> <p>HB 23-1121 repealed this exemption</p>	
Oil Shale Equipment and Machinery Severance Tax Deduction / Equipment and Machinery Deduction / Netback Expense Deductions	<p>The Equipment and Machinery Deduction allows oil shale producers to subtract from the first sales price of shale oil any costs for equipment and machinery.</p>	2025	Discretionary	No	Not Selected for Re-review	39-29-1024(a)	N/A	7/1/2020 2020-TE19	\$	<p>Making changes to the Oil Shale Severance Tax Expenditures because the oil shale industry is not commercially viable and may not become commercially viable in the near future.</p> <p>HB 23-1121 repealed this exemption</p>	
Income Tax Credit for Employer 529 Contributions / 529 Credit	<p>A nonrefundable income tax credit is allowed to an employer who makes a contribution of money to a 529 qualified state tuition program account owned by an employee. The credit is allowed regardless of the named beneficiary of the account. The credit is equal to 20% of the contribution, except that the maximum total credit an employer may claim for each employee is a tax year is \$500.</p>	2025	Discretionary	No	Not Selected for Re-review	39-29-539(3)	1/1/2032	4/1/2020 2020-TE12	\$	<p>\$1,000.00 None</p> <p>HB 20-1109 added a statutory purpose and extended the program for an additional 10 years (S. 2021).</p>	
Interstate Cigarette Sales Excise Tax Exemption / Interstate Cigarette Sales Exemption	<p>The Interstate Cigarette Sales Exemption exempts sales of cigarettes made by licensed distributors in interstate commerce from the Colorado cigarette excise tax.</p>	2025	Discretionary	No	Not Selected for Re-review	39-28-111	N/A	1/1/2020 2020-TE1	Could not determine	None	None
Nonresident Motor Vehicle Exemption	<p>The Nonresident Motor Vehicle Exemption exempts from sales and use tax motor vehicle sales and long-term leases to nonresidents of Colorado when the vehicle is registered outside of the state.</p>	2025	Discretionary	No	Not Selected for Re-review	39-26-1135(a)	N/A	7/1/2020 2020-TE18	Unknown	None	None
Commercial Trucks and Trailers Licensed Out-of-State Sales and Use Tax Exemption / Commercial Trucks and Trailers Exemption	<p>The Commercial Trucks and Trailers Exemption exempts the sale or long-term lease of commercial trucks and trailers from sales and use tax if they are used exclusively outside of Colorado or in interstate commerce, removed from the state within 30 days, and permanently licensed and registered outside of Colorado.</p>	2025	Discretionary	No	Not Selected for Re-review	39-26-712	N/A	7/1/2020 2020-TE18	Unknown	None	<p>L. 2022 (1), (1)(2), (2)(a), and (2)(b) amended (HB 22-1039), ch. 34, p. 255, 6-6, effective August 20.</p> <p>*unless the department of revenue determines pursuant to section 39-26-210 (2) that the affidavit can be consolidated with another form or eliminate" was added to both clauses.</p>

Deduction for Net Capital Gain on Colorado Agricultural Property	This deduction allows taxpayers to deduct from their Colorado taxable income the amount of net capital gains earned during the taxable year on certain property. It may only be claimed by farmers, ranchers, and other taxpayers required to file a Schedule F (Profit or Loss from Farming) with their federal income tax return for the year in which the qualifying net capital gains are realized.	2026 Required	N/A	Will Review - New Expenditure	39-22-518(2)(a)(0.5) and (2)(b)(0)(B.7)	N/A		<p>HB 23-1081 amended (2)(3)(a), (1)(A), (4), (5)(A)(ii), (4)(A), (7), (8), (9), and (11) introductory portion, and add (1)(a.3), (3)(a), (5)(A)(v), and (5)(A)(vi)</p> <p>HB 23-1081 increases the cap for converting a qualified business to a worker-owned cooperative or employee ownership trust from \$25k to \$40k, and increases the cap for converting to an employee stock ownership plan from \$500k to \$150k</p> <p>Expands the tax credit to include 50% of the costs when employee ownership is expanded by at least 20%, up to a total of \$2k</p> <p>Expands the tax credit to include 50% of</p>
Business Conversion Credit	For income tax years commencing on or after January 1, 2022, but prior to January 1, 2027, business converting or expanding qualified businesses to a worker-owned structure can receive a tax credit for a portion of the conversion costs.	2026 Required	N/A	Will Review - New Expenditure	39-22-542	1/1/2027		
Homeless Contribution Credit	Any taxpayer who makes a monetary or in-kind contribution to an approved nonprofit organization, or to an approved project administered by an approved nonprofit organization, is allowed a credit equal to twenty-five percent of the total value of the contribution.	2026 Required	N/A	Will Review - New Expenditure	39-22-548	1/1/2027	N/A	N/A
New Electric Lawn Equipment Income Tax Credit	Retailers can receive an income tax credit for 33 percent of the retail price of new electric-powered lawn equipment sold during the tax year.	2026 Required	N/A	Will Review - New Expenditure	39-22-550	1/1/2027		
Employer Contribution to Employee Home Purchase Tax Credit	Tax credit for employer's contribution to employee for eligible expenses in connection with a qualifying home purchase: if an employer makes a contribution of money to an employee during the income tax year for use by the employee for eligible expenses in connection with a qualifying home purchase, then the employer is allowed a credit against the income taxes imposed by this article 22 in an amount equal to five percent of the amount of the employer contribution, except that an employer cannot claim a credit of more than five thousand dollars for any one employee and the maximum total credit that an employer may claim in a taxable year is two hundred thousand dollars.	2026 Required	N/A	Will Review - New Expenditure	39-22-558	1/1/2027	N/A	<p>HB 24-1036 amended (E) as follows:</p> <p>(E) (A) Nothing in this section is intended to preclude an employee who receives a contribution from their employer in accordance with subsection (1) of this section from having a first-time home buyer savings account pursuant to part C of this article 22.</p> <p>(E) THIS SUBSECTION (E) IS REPEALED, EFFECTIVE DECEMBER 31, 2024.</p>
Previously Taxed Income Deduction for Individuals, Estates, and Trusts / Previously Taxed Income Deduction	The Previously Taxed Income Deduction for Individuals, Estates, and Trusts allows individual, estate, and trust taxpayers to deduct any income or gain that was previously taxed by Colorado when calculating Colorado taxable income.	2026 Discretionary	TBD	May Re-Review	39-22-1044(j)	N/A	4/1/2021, 2021-TE9	\$ 865,000.00
Pension or Annuity Deduction	The Pension or Annuity Deduction allows individuals who are at least 55 years of age at the end of the taxable year to deduct amounts received as pensions or annuities from any source, to the extent included in federal adjusted gross income."	2026 Discretionary	TBD	May Re-Review	39-22-1044(k) and (l)	N/A	7/1/2021, 2021-TE20	\$ 506,000,000.00
Colorado Alternative Minimum Tax Credit / AMT Credit	A nonrefundable credit is allowed to individuals, trusts, and estates that are allowed a federal credit for prior year minimum tax. The Colorado credit is equal to 12% of the federal credit allowed for the same tax year.	2026 Discretionary	TBD	May Re-Review	39-22-105	N/A	7/1/2021, 2021-TE19	\$ 7,300,000.00

<p>The Colorado Earned Income Tax Credit (EITC) allows low- and moderate-income earners who claim the federal EITC (or who could have claimed the federal EITC but do not have a Social Security Number) to claim an additional state income tax credit, calculated as a percentage of the federal EITC. Note that Section 123 allows for the credit as a TABOR refund mechanism, section 123.5 (enacted in 2023) allows for the credit when there are not excess state revenues (Section repeals 123/2034).</p>	2026	Discretionary	TBD	May Re-Review	39-22-123	N/A	4/1/2022 2022-TE19	\$72 million	<p>HB 29-1112 amended (20A, 20C), (2-3)(A), (2-3)(B)(i), and (2-3)(B)(ii) and adds (2)(A), (2-3)(A), and (2-3)(i) - Modifies tax credit percentage to 35% of federal credit for one year (2024).</p> <p>HB 24-1084 repairs and re-enacts the 50% of federal credit rate for Tax Year 2023 due to an error in the passage of HB 23-1002 (modified 2023 rate from 25% to 50%). For amendments and bills see section 39-22-123.5</p> <p>HB 24-1134 increases the amount of the state earned income tax credit (EITC) that can be claimed by an individual as a percentage of the individual's federal earned income tax credit (federal credit) amount for 2024.</p> <p>The General Assembly may want to consider amending statute to establish performance measures for the credit.</p> <p>THE GENERAL ASSEMBLY MAY WANT TO CONSIDER AMENDING STATUTE TO ESTABLISH A STATUTORY PURPOSE AND PERFORMANCE MEASURES FOR THE CONTRIBUTION CREDIT PROGRAM. THE GENERAL ASSEMBLY MAY WANT TO CONSIDER CLARIFYING ELIGIBILITY REQUIREMENTS FOR THE CREDIT.</p> <p>THE GENERAL ASSEMBLY COULD CONSIDER CREATING A STATUTE STATING THE CREDIT SPECIFIC TO CONTRIBUTIONS TO ORGANIZATIONS SERVING THE HOMELESS POPULATION.</p> <p>THE GENERAL ASSEMBLY MAY WANT TO CONSIDER AMENDING STATUTE TO CLARIFY THE LIMITATIONS ON IN-KIND CONTRIBUTIONS TO PROGRAMS THAT ADDRESS CONTRIBUTIONS TO COUNTIES TO BE</p> <p>SB 24-100 added an additional criteria for an area to qualify as an enterprise zone: (B) NOTWITHSTANDING SUBSECTION (3)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2024, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF MUNICIPALITIES TO BE</p> <p>SB 24-1065 removes section (3)(B) and only allows E2 contributions to be made directly to the program, projects, and organizations certified by the E2 administrator.</p> <p>SB 24-100 added an additional criteria for an area to qualify as an enterprise zone: (B) NOTWITHSTANDING SUBSECTION (3)(A) OF THIS SECTION, ON OR AFTER JULY 1, 2024, BUT BEFORE JANUARY 1, 2024, ANY MUNICIPALITY, COUNTY, OR GROUP OF CONTIGUOUS MUNICIPALITIES OR COUNTIES MAY PROPOSE AN AREA OF SUCH MUNICIPALITY, COUNTY, OR GROUP OF MUNICIPALITIES TO BE</p> <p>In 2022, with HB 22-1026, the General Assembly amended section 39-22-509, which was the Mass Transit Deduction, to change the deduction to a credit. The changes effectively repealed and replaced the identified policy considerations that if the General Assembly extends the credit, it could consider (clarify for issues: (1) Whether expenses incurred for providing alternative transportation options to volunteers are eligible for the credit; (2) whether the "substantially equivalent" requirement applies to the mode of transportation or require certain taxpayers to file a specific return);</p> <p>HB 24-1036 amends (3)(B) as follows (to require certain taxpayers to file a specific return):</p> <p>(B) (i) FOR INCOME TAX YEARS COMMENCING BEFORE JANUARY 1, 2024, a local government or nonprofit organization</p>
<p>A nonrefundable credit is allowed to a taxpayer who makes monetary or in-kind contributions to an enterprise zone administrator or to a certified program for the purpose of implementing the economic development plan of the enterprise zone. The credit is generally equal to 25% of the value of the contributions, but is limited to \$50,000 for contributions made during the tax year. Additional limitations apply with regard to the credit allowed for in-kind contributions.</p>	2026	Discretionary	TBD	May Re-Review	39-30-103.5	N/A	7/1/2021 2021-TE56	\$	<p>10,000,000.00</p> <p>Although we did not conduct a full evaluation of the credit, in the course of researching the credit, speaking with stakeholders, attending a DOR working group, and discussions with DOR staff, we identified a policy consideration that if the General Assembly extends the credit, it could consider (clarify for issues: (1) Whether expenses incurred for providing alternative transportation options to volunteers are eligible for the credit; (2) whether the "substantially equivalent" requirement applies to the mode of transportation or require certain taxpayers to file a specific return);</p> <p>HB 24-1036 amends (3)(B) as follows (to require certain taxpayers to file a specific return):</p> <p>(B) (i) FOR INCOME TAX YEARS COMMENCING BEFORE JANUARY 1, 2024, a local government or nonprofit organization</p>
<p>For income tax years beginning on or after January 1, 2023, but before January 1, 2027, employers can claim an income tax credit equal to fifty percent of the amount spent by the employer to provide alternative transportation options to its employees, subject to the limitations that the maximum amount spent in any income tax year for an employer may claim a credit is two hundred fifty thousand dollars and that the maximum amount spent in any income tax year for any one employer for which an employer may claim a credit is two thousand dollars.</p>	2026	Discretionary	TBD	May Re-Review	39-22-509(3)(a)	1/1/2027	None assigned	N/A	<p>None assigned</p> <p>11/01/2023</p> <p>None assigned</p> <p>N/A</p>
<p>The Molybdenum Ore Tonnage Exemption exempts the first 625,000 tons of molybdenum ore produced in each quarter, which is up to 2.5 million tons per year, from the molybdenum ore severance tax.</p>	2026	Discretionary	TBD	May Re-Review	39-29-104(1)	N/A	1/1/2021 2021-TE3	\$	<p>125,000.00</p> <p>The General Assembly may want to examine the effective severance tax rate as a percentage of gross income on molybdenum ore, including the impact of the exemption on this effective rate, to ensure that it continues to align with the General Assembly's intent. We found that the effective rate imposed on molybdenum ore as a percentage of gross income is significantly less than the severance tax rates for metallic minerals, coal, oil, and natural gas.</p>
<p>The Metallic Minerals Ad Valorem Credit allows metal miners to claim a credit against their severance tax liability equal to 100 percent of net property taxes assessed or paid to a local government on metals produced during the taxable year. The credit is capped at 50 percent of the taxpayer's severance tax liability.</p>	2026	Discretionary	TBD	May Re-Review	39-29-105(2)	N/A	1/1/2021 2021-TE2	\$1 million to \$3.4 million	<p>The General Assembly may want to consider:</p> <ul style="list-style-type: none"> -Establishing a statutory purpose and performance measures for the credit. -Reviewing whether the credit is meeting its intent and, if necessary, revise statute in order for the credit to do so.
<p>The Metallic Minerals Threshold Exemption allows taxpayers to deduct up to \$59 million from gross income that they earned at each metal mining operation in Colorado prior to applying the metallic minerals severance tax rate.</p>	2026	Discretionary	TBD	May Re-Review	39-29-106(1)	N/A	1/1/2021 2021-TE1	\$	<p>477,000.00</p> <p>The General Assembly may want to consider:</p> <ul style="list-style-type: none"> -Establishing a statutory purpose and performance measures for the exemption. -If the General Assembly determines that the purpose of the exemption is to prevent the severance tax from negatively impacting small mines' ability to stay profitable, then the General Assembly may want to consider making changes to the exemption to improve its cost effectiveness.
<p>A nonrefundable income tax credit is allowed to any taxpayer doing business in Colorado who receives certification from the Colorado Economic Development Commission (EDC) for a project that creates qualified job growth over a credit period not to exceed 36 months. The credit is allowed at the discretion of the EDC and, unless the project is a qualified partnership between the taxpayer and a state institution of higher education, is allowed only if the credit is a major factor in the decision to locate or retain the project in Colorado. If certain conditions are met, and subject to approval by the EDC, the taxpayer may elect for special treatment of the credit as a strategic capital tax credit.</p>	2026	Discretionary	TBD	May Re-Review	39-22-531	1/1/2027	8/15/2022 2022-TE18	\$13.9 million	<p>The General Assembly may want to consider:</p> <ul style="list-style-type: none"> -Amending statute to establish a statutory purpose and performance measures for the credit. -Clarifying the available credit period and the calculation of the credit amount. -Examining the effects of remote work on companies' average annual wages for purposes of qualifying for the credit. -Adding eligibility of credits for advanced manufacturing and semiconductor manufacturing. <p>HB 23-1260 amends (E) and adds (E)(1)-(E)(4)</p> <p>Adds eligibility of credits for advanced manufacturing and semiconductor manufacturing.</p> <p>If the General Assembly decides to extend the credit beyond its current expiration date, it may want to:</p> <ul style="list-style-type: none"> -Assess the impact of the credit's total annual cap on its effectiveness. -Consider requiring qualified small businesses to report, and the Governor's Office of Economic Development and International Trade to collect, additional economic information. Extends credit to equal in 2027 (section 24-48-112) and increases aggregate annual maximum amount of credits to Section, increases credit to 35% in rural areas, and total credit amount up to \$20M. The credit can be allocated in any manner among the business owners, shareholders, members, or qualified investors. <p>HB 23-1149 added performance measures and increased the cap.</p>
<p>A nonrefundable income tax credit is allowed for a qualified investment in a qualified small business that is in one of the following advanced industries: advanced manufacturing, aerospace, biotech, electronics, energy and natural resources, infrastructure engineering, or information technology. Credit applications are reviewed and evaluated by the Colorado Office of Economic Development and International Trade (ODEIT) and allowed only after ODEIT has approved the application and issued a credit certificate to the qualified investor. Administration of the credit is in 24-48-5-112.</p>	2026	Discretionary	TBD	May Re-Review	39-22-532	1/1/2027	7/1/2021 2021-TE5	\$	<p>524,000.00</p> <p>HB 23-1149 added performance measures and increased the cap.</p>

Pre-press Printing Exemption / Pre-press Exemption	The Pre-press Printing Exemption exempts from sales and use tax printers' purchases of eligible pre-press materials, such as film proofs and plates, used to print products sold at retail.	2026	Discretionary	TBD	May Re-Review	39-26-10219(9)	N/A	7/1/2021 2021-TE14	Unknown	The General Assembly may want to consider establishing a statutory purpose and performance measures.
Food Ingredients Exemption / Ingredients Exemption	The Ingredients Exemption exempts purchases of food ingredients from sales and use tax when the ingredients will be used to prepare or manufacture food products that will ultimately be sold for human consumption.	2026	Discretionary	TBD	May Re-Review	39-26-102020	N/A	4/1/2021 2021-TE50	\$238 million	The General Assembly may want to consider establishing a statutory purpose and performance measures.
Sales Tax Vendor Allowance / Vendor Allowance	The Sales Tax Vendor Allowance allows retailers that collect and remit Colorado state sales tax to retain 3.25 percent of the amount of state sales tax collected when they file their sales tax returns on time.	2026	Discretionary	TBD	May Re-Review	39-26-10513(10)(A)	N/A	7/1/2019 2019-TE26	\$107 million	None SB 22-005 enacted a modified version of the vendor allowance for small businesses [39-26-10513(6)], only available in 2023.
Sales to Private Schools Exemption	The Sales to Private Schools Exemption exempts sales of tangible personal property to private, nonprofit schools from sales tax.	2026	Discretionary	TBD	May Re-Review	39-26-7044	N/A	1/1/2021 2021-TE5	\$1.7 million	The General Assembly may want to consider: • Establishing a statutory purpose and performance measures. • Repealing the Private Schools Exemption because it is likely obsolete.
Materials Used in Iron, Steel, and Vanadium-Uranium Ore Manufacturing and Processing Exemption / Materials Exemption	The Materials Used in Iron, Steel, and Vanadium-Uranium Ore Manufacturing and Processing Exemption exempts from sales and use tax the purchases, sales, storage, use, or consumption of refractory materials and carbon electrodes used in manufacturing iron and steel for profit and inorganic chemicals used in the processing of vanadium-uranium ores.	2026	Discretionary	TBD	May Re-Review	39-26-7063	N/A	7/1/2021 2021-TE17	Unknown	The General Assembly may want to consider: • Establishing a statutory purpose and performance measures. • Repealing the exemption for inorganic materials used in vanadium-uranium ore processing, since there are no longer any facilities in the state that process vanadium-uranium ore.
Precious Metal Bullion and Coin Exemption / Bullion and Coin Exemption	The Precious Metal Bullion and Coin Exemption exempts all sales, storage, use, or consumption of precious metal bullion and coins from state sales and use tax.	2026	Discretionary	TBD	May Re-Review	39-26-7064	N/A	7/1/2021 2021-TE22	Unknown	The General Assembly may want to consider establishing a statutory purpose and performance measures.
Food for Home Consumption Exemption	The Food for Home Consumption Exemption exempts from sales and use tax most food that is purchased for home consumption and consumed off the premises where the purchase was made.	2026	Discretionary	TBD	May Re-Review	39-26-7071(a)	N/A	4/1/2021 2021-TE11	\$33.6 million (combined with Food for Retirement Communities)	The General Assembly may want to consider establishing a statutory purpose and performance measures.
Food for Retirement Communities Exemption	The Food for Retirement Communities Exemption exempts food and packaging from sales and use tax if it is consumed by residents on the premises of a retirement community (subsection 2.3).	2026	Discretionary	TBD	May Re-Review	39-26-7071(f) and (2)(a)	N/A	4/1/2021 2021-TE11	\$33.6 million (combined with Food for Home Consumption)	The General Assembly may want to consider establishing a statutory purpose and performance measures.

Food Service Employer-provided Meals Exemption / Employer-provided Meals Exemption	The Employer-provided Meals Exemption exempts meals provided by food service establishments to their employees at no charge or at a discount from sales and use tax.	2026	Discretionary	TBD	May Re-Review	39-26-7072(a)	N/A	4/1/2021 2021-TE13	\$6.4 million	The General Assembly may want to consider: <ul style="list-style-type: none"> Establishing a statutory purpose and performance measures. Adding language to statute to clarify which meals provided to food service employees by their employer qualify for the exemption.
Construction and Building Materials Exemption / Construction Materials Exemption	The Construction Materials Exemption exempts contractors and subcontractors from paying sales and use tax on building and construction materials that are purchased and incorporated into a structure, highway, road, street, or other public work project that is owned and used by certain tax-exempt entities, such as federal, state, and local governments, not-for-profit schools, and charitable organizations.	2026	Discretionary	TBD	May Re-Review	39-26-708	N/A	1/1/2021 2021-TE4	Unknown	The General Assembly may want to consider: <ul style="list-style-type: none"> Establishing a statutory purpose and performance measures. Clarifying eligibility requirements for the exemption.
Railroad Building and Construction Materials Sales Tax Exemption / Construction Materials Exemption	The Railroad Construction Materials Exemption provides a sales tax exemption to interstate or foreign rail carriers for purchases of building and construction materials used in the construction and/or maintenance of a railroad.	2026	Discretionary	TBD	May Re-Review	39-26-7203(a)	N/A	9/1/2020 2020-TE28	Unknown	None
Railroad Equipment Sales and Use Tax Exemption / Rolling Stock Exemption	The Railroad Equipment Sales and Use Tax Exemption provides a sales and use tax exemption for locomotive, railcar, and other rolling stock for use in interstate commerce, and includes component parts to be affixed or attached to the equipment.	2026	Discretionary	TBD	May Re-Review	39-26-7203(b), (1)(c), (2)(a), and (2)(b)	N/A	9/1/2020 2020-TE28	Unknown	None
Aircraft Used in Interstate Commerce Exemption / Interstate Aircraft Exemption	The Interstate Aircraft Exemption provides a sales and use tax exemption to commercial airlines for the purchase, storage, or use of aircraft used in interstate commerce.	2026	Discretionary	TBD	May Re-Review	39-26-7111(a)	N/A	7/1/2021 2021-TE3	Unknown	The General Assembly may want to consider establishing a statutory purpose and performance measures.
Fuel for Residential Heat, Light, and Power Exemption / Residential Power Exemption	The Residential Power Exemption allows purchases of fuel or electricity for residential use to be exempt from Colorado state sales and use tax.	2026	Discretionary	TBD	May Re-Review	39-26-72501(a)(8)	N/A	9/1/2020 2020-TE29	\$107 million	None
Parent Teacher Association and Organization Exemption / PTA & PTO Exemption	The PTA & PTO Exemption exempts sales by parent teacher associations and organizations that benefit a public K-12 school from sales tax.	2026	Discretionary	TBD	May Re-Review	39-26-7181(a)	N/A	1/1/2021 2021-TE5	\$3.2 million (combined with School-Related Sales Exemption)	The General Assembly may want to consider: <ul style="list-style-type: none"> Establishing a statutory purpose and performance measures. Clarifying or consolidating eligibility requirements for the PTA & PTO Exemption and the School-Related Sales Exemption.
Prefabricated Homes Partial Exemption	The Prefabricated Homes Partial Exemption exempts 48 percent of the purchase price of a manufactured or modular home from sales and use tax.	2026	Discretionary	TBD	May Re-Review	39-26-7211	N/A	4/1/2021 2021-TE8	\$1.4 million	The General Assembly may want to consider: <ul style="list-style-type: none"> Establishing a statutory purpose and performance measures. Amending statute to provide a corresponding use tax exemption for the Prefabricated Homes Partial Exemption.

Subsequent Home Sales Exemption (for manufactured homes)	The Subsequent Home Sales Exemption exempts subsequent sales of previously sold manufactured and modular homes from sales and use tax.	2026	Discretionary	TBD	May Re-Review	39-26-721(1) and (2)	N/A	4/1/2021 2021-TEB	5	252,000.00	The General Assembly may want to consider establishing a statutory purpose and performance measures.	HB 22-1242 amended 39-26-721(1) to remove the 7/1/2019 date requirement for definitions of a manufactured home and add: "tiny home to the exempt sales and use tax." (3) Beginning July 1, 2023, the sale, storage, usage, or consumption of a manufactured home, as defined in section 39-2-302 (7) (B), OR A TINY HOME, AS DEFINED IN SECTION 34-23-3302 (5), is exempt from taxation under parts 1 and 2 of this article 26.
Manufactured or Tiny Homes Exemption	The Manufactured Homes Exemption exempts the sale, storage, usage, or consumption of a manufactured home [39-2-1001 (B), C, S] or modular home [39-2-1003 (3)], or tiny homes [24-23-3302(1)(1)] or factory built residential structure [24-23-3302(1)(2)] constructed on or after June 15, 1976, in compliance with the National Manufactured Housing Construction and Safety Standards from sales and use tax.	2026	Discretionary	TBD	May Re-Review	39-26-721(3)	N/A	4/1/2021 2021-TEB	55.6 million (manufactured homes)		The General Assembly may want to consider establishing a statutory purpose and performance measures.	HB 24-1036 amends(3) to modify the definition of sales and use tax exempt homes as follows: (1) (A) FROM TO JANUARY 1, 2025, the sale, storage, usage, or consumption of a
School Related Sales Exemption	The School Related Sales Exemption exempts sales by schools, school booster organizations, or any other school organization that benefits a public or private K-12 school from sales tax.	2026	Discretionary	TBD	May Re-Review	39-26-725(2)	N/A	1/1/2021 2021-TE5	\$3.2 million (combined with PTA & PTO Exemption)		The General Assembly may want to consider: • Establishing a statutory purpose and performance measures. • Clarifying or consolidating eligibility requirements for the PTA & PTO Exemption and the School-Related Sales Exemption.	HB 24-1036 amends(3) to modify the definition of sales and use tax exempt homes as follows: (1) (A) FROM TO JANUARY 1, 2025, the sale, storage, usage, or consumption of a
Deduction for Employer Matching Contributions to an Adult Learner Individual Trust Account or Savings Account	Tax credit for employers that match contributions to an adult learner's individual trust account	2027	Required	N/A	Will Review - New Expenditure	39-22-3044(6)	N/A			Unknown		
Middle Income Housing Tax Credit	Creates a pilot program for an income tax credit for owners of qualified housing developments focused on rental housing for middle-income individuals and families. Middle-income individuals and families have an annual household income between 80% and 120% of the area median income of the households of the same size in the county in which the housing development is located, except that, for rural resort counties, the annual income is between 80% and 140% of the respective area median income.	2027	Required	N/A	Will Review - New Expenditure	39-22-5403		12/31/2029		TBD		
Employee-Owned Business Income Tax Credit	Creates a refundable income tax credit for income tax years 2023 to 2029 for up to 50% of specified costs incurred by new employee-owned businesses, not to exceed \$50,000.	2027	Required	N/A	Will Review - New Expenditure	39-22-542-5(1)		12/31/2029		N/A		
Wildfire Mitigation Measures Credit	For income tax years commencing on or after January 1, 2023, but prior to January 1, 2026, a landowner with a federal taxable income at or below one hundred twenty thousand dollars for the income tax year commencing on or after January 1, 2023, as adjusted for inflation and rounded to the nearest hundred dollar amount for each income tax year thereafter, is allowed a credit against the income taxes imposed by this article 22 in an amount equal to twenty-five percent of up to two thousand five hundred dollars in costs for wildfire mitigation measures. The maximum total credit in a taxable year is six hundred twenty-five dollars.	2027	Required	N/A	Will Review - New Expenditure	39-22-543		1/1/2028		N/A	N/A	HB 24-1036 amends the definition of costs, extends the expiration date of the credit to 12/31/2028, and adds a measure for the income eligibility to be adjusted for inflation beginning on the year 2025. amend (2)(c) and (4) as follows: (2) As used in this section, unless the context otherwise requires: (a) "Costs" means any actual out-of-pocket expense incurred and paid by the landowner TO A THIRD-PARTY SERVICE PROVIDER, documented by receipt, for performing wildfire mitigation measures. "Costs" does not include any inspection or certification fees, in-kind contributions, donations, incentives, or cost sharing associated with performing wildfire
Affordable Housing for Transit-Oriented Communities	Developers of low-income housing projects in certified transit-oriented communities are allowed a credit against their development costs. The credit is administered by CHFA and is available for CY 2025 through 2029.	2027	Required	N/A	Will Review - New Expenditure	39-22-5503(1)		12/31/2029		N/A		

Insurance Premium Tax Credit for Contributions / CRR Contributions Credit	The credit allows insurance companies that choose to contribute funds to the Health Benefit Exchange (Brown as Connect for Health Colorado or CRR) to claim a dollar-for-dollar credit against the insurance premium taxes they owe the State.	2027	Discretionary	TBD	May Re-Review	10-22-15D	N/A	7/1/2022 2022-TE28	\$5 million	The General Assembly may want to consider amending statute to establish a statutory purpose and performance measures for the credit.	
Malt Liquors Research Exemption	Exempts from excise tax malt liquors manufactured by Colorado public institutions of higher education for research and teaching purposes.	2027	Discretionary	TBD	May Re-Review	44-3-106(6)	N/A	1/1/2022 2022-TE1	\$	131.00	The General Assembly may want to consider establishing statutory purposes and performance measures for the exemptions.
Ecology Research Exemption	Exempts from excise tax vinous liquor manufactured by Colorado public institutions of higher education for the purpose of enology (i.e., study of wine and winemaking) research and education.	2027	Discretionary	TBD	May Re-Review	44-3-106(5)	N/A	1/1/2022 2022-TE1	\$	112.00	The General Assembly may want to consider establishing statutory purposes and performance measures for the exemptions. HB 22-1310 amends (4)(b)(v) to align with IRC as follows: (4) There shall be subtracted from federal taxable income: (i) (IV) As used in this SUBSECTION (4)(i), UNLESS THE CONTEXT OTHERWISE REQUIRES; (A) "DESIGNATED BENEFICIARY" HAS THE SAME MEANING AS DEFINED IN SECTION 209 (b)(1) OF THE INTERNAL REVENUE CODE. (B) "QUALIFIED HIGHER EDUCATION EXPENSE" HAS THE SAME MEANING AS
Colorado Tuition Program Deduction / 529 Deduction	The Colorado Tuition Program Deduction (529 Deduction) allows individuals, estates, and trusts to deduct an amount equivalent to their total contributions to a 529 account from their taxable income. The deduction is capped at \$20,000 and \$30,000 per taxpayer, per beneficiary for single and joint filers, respectively.	2027	Discretionary	TBD	May Re-Review	39-22-1044(i)(A)	N/A	1/1/2022 2022-TE6	\$25.7 million	The General Assembly may want to consider: • Establishing a statutory purpose and performance measures for the deduction. • Reviewing the effectiveness of the deduction.	
Charitable Contribution Deduction	The Charitable Contribution Deduction allows an individual to deduct the amount of any charitable contributions over \$500 from their state income, if the individual claimed the standard deduction, instead of itemized deductions, on their federal income tax return.	2027	Discretionary	TBD	May Re-Review	39-22-1044(i)(n)	N/A	4/1/2022 2022-TE18	\$41.3 million	The General Assembly may want to consider: • Amending statute to establish a statutory purpose and performance measures for the deduction. • Reviewing the deduction's \$500 charitable contribution floor. • Repealing an obsolete statutory reference to taxpayers contributing to Hunger Relief organizations.	
Military Family Relief Fund Grants Deduction	The Military Family Relief Fund Grants Deduction allows recipients of grants from the Military Family Relief Fund to deduct the amount of the grants they receive from their Colorado income if the amounts are included in federal taxable income.	2027	Discretionary	TBD	May Re-Review	39-22-1044(j)	N/A	7/1/2022 2022-TE27	\$	9,775.00	The General Assembly may want to consider amending statute to establish a statutory purpose and performance measures for the deduction.
Exonerated Persons Deduction	The Exonerated Persons Deduction allows taxpayers to deduct any compensation received from the State resulting from their, or an immediate family member's, wrongful incarceration pursuant to the Compensation for Certain Exonerated Persons Act from their Colorado income.	2027	Discretionary	TBD	May Re-Review	39-22-1044(k)	N/A	7/1/2022 2022-TE11	Too few taxpayers to report	The General Assembly may want to consider amending statute to establish a statutory purpose and performance measures for the deduction.	
Military Service Persons Reacquiring Colorado Residency Deduction / Military Residency Deduction	The Military Service Persons Reacquiring Residency Deduction allows some taxpayers to deduct their military pay when calculating their Colorado income tax liability.	2027	Discretionary	TBD	May Re-Review	39-22-1044(l)	N/A	4/1/2022 2022-TE22	\$	168,939.00	The General Assembly could consider clarifying the purpose of the deduction and reviewing its effectiveness. Specifically, the General Assembly could: • Establish a statutory purpose to reflect that the deduction only applies to service members from Colorado who have already established residency in another state. • Expand eligibility for the deduction to all active-duty service persons with a home of record in Colorado to conform the operation of the deduction to the purpose as it exists in its enacting legislation; or • Repeal the deduction since it is not used by many taxpayers and appears to have a limited impact.

Olympic Medalist Income Tax Deduction / Olympic Deduction	The Olympic Medalist Income Tax Deduction allows Olympic and Paralympic medalists to deduct income earned as a direct result of winning an Olympic or Paralympic medal while competing for the United States when calculating their Colorado taxable income.	2027	Discretionary	TBD	May Re-Review	39-22-1044(x)	N/A	1/1/2022 2022-TE2	Too few taxpayers to report	The General Assembly may want to consider amending statute to establish a statutory purpose and performance measures for the deduction.
Dual Resident Trust Credit	A nonrefundable income tax credit is allowed to a qualifying trust that is a resident of both Colorado and another state in lieu of the credit for income tax paid to another state. The credit is not available to a trust that became a Colorado resident trust prior to May 26, 2026.	2027	Discretionary	TBD	May Re-Review	39-22-108.5	N/A	7/1/2022 2022-TE6	\$ 358,400.00	The General Assembly may want to consider amending statute to establish a statutory purpose and performance measures for the credit.
Child Care Contribution Credit	A nonrefundable credit is allowed to a taxpayer who makes a monetary contribution to promote child care in Colorado. The credit is equal to 50% of the total contribution. The amount of credit allowed to a taxpayer for contributions made in any one tax year may not exceed \$200,000.	2027	Discretionary	TBD	Selected for Re-review	39-22-121	1/1/2028	9/15/2022 2021-TE6	\$ 30,800,000.00	<ul style="list-style-type: none"> SB 38-114 - removed credit from Enterprise Zones and made it statewide HB 00-1315 - increased value of credit from 20% to 50% and removed eligibility of in-kind contributions HB 04-1129 - clarified that contributions can only be to programs or services serving children ages 0-12 (except for grandfathered programs) HB 18-1004 - modified repeal date to 12/1/2025 HB 21-1154 - non-substantive change that removed the reference to prior years where in-kind contributions were allowed HB 22-1295 - non-substantive change that aligns references to Department of Social Services with the new Department of Early Childhood (formerly in DHS) <p>The General Assembly may want to consider:</p> <ul style="list-style-type: none"> Establishing a statutory purpose and performance measures. Clarifying eligible organizations that can receive contributions that qualify for the credit.
Long-term Care Insurance Credit / Long-term Care Credit	The Long-Term Care Insurance Credit allows certain taxpayers to claim a credit against their state income taxes for 25 percent of the premiums they paid during the year for long-term care insurance, up to \$150 per policy.	2027	Discretionary	TBD	May Re-Review	39-22-122	N/A	4/1/2022 2022-TE3	\$2.6 million	<p>The General Assembly may want to:</p> <ul style="list-style-type: none"> Consider amending statute to establish a statutory purpose and performance measures for the credit. Review the effectiveness of the credit and could consider changes to the credit cap and income limits. <p>LTFC 04 (HB 21-1122) sought to modify the credit's relation to policy consideration to address its effectiveness, but was laid over.</p>
Affordable Housing Tax Credit	A nonrefundable income tax credit is allowed to a qualified taxpayer who owns a direct or indirect interest in a qualified affordable housing development. The credit is allowed in an amount determined by the Colorado Housing and Finance Authority (CHFA).	2027	Discretionary	TBD	May Re-Review	39-22-2102	12/31/2031	4/1/2022 2022-TE25	Not reportable	None
Preservation of Historic Structures Credit / Historic Structures Credit	The Preservation of Historic Structures Credit provides an income tax credit for property owners who rehabilitate or preserve a residential or commercial certified historic structure in Colorado.	2027	Discretionary	TBD	May Re-Review	39-22-514.5	1/1/2037	7/1/2022 2022-TE13	\$3.5 million	<p>HB 22-1051 2161, 1971, and 771a-1) amended and (9) added</p> <p>These changes had not yet passed at the time of the publication of this evaluation but were mentioned in the report. The changes extend the carryforward time period, the yearly amount of credits available, and create a purpose and performance measures with a report due to the USA every year.</p> <p>Yes HB 23-1114 addressed both policy considerations</p> <p>Section 125) adds a purpose and performance measures to statute. THE SPECIFIC PURPOSES OF THE TAX CREDIT ARE TO PROVIDE AN INCENTIVE TO TAXPAYERS TO REHABILITATE QUALIFIED STRUCTURES IN A MANNER THAT INCREASES THE NUMBER OF NET NEW RENTAL HOUSING UNITS IN THE STATE AND TO PROVIDE A GREATER INCENTIVE FOR TAXPAYERS WHO DEVELOP SUCH UNITS FOR RENTAL TO LOW- AND MODERATE-INCOME RENTERS WHO NEED AFFORDABLE AND MIDDLE-INCOME HOUSING. (C) THE NUMBER AND APPLICATION TO BE ELIGIBLE FOR THE CREDIT MEETS THE INTENT OF THE CREDIT.</p> <p>TO THIS SECTION, THE NUMBER OF NET NEW</p>
Innovative Cars Income Tax Credit / Innovative Car Credit	Innovative Cars Income Tax Credit provides purchasers or dealers (financiers) a refundable income tax credit for the purchase or lease of an eligible new electric motor vehicle.	2027	Discretionary	TBD	May Re-Review	39-22-516.7	1/1/2029	7/1/2022 2022-TE14	Greater than \$24.9 million	<p>The General Assembly may want to consider amending statute to establish statutory purpose and performance measures for the credits. HB 23-1272 extends and expands tax credits for the purchase or lease of electric vehicles (which is phased out over time), adds an additional credit to vehicles under \$55k and excludes vehicles over \$80k. Also allows for an additional credit if the financier/dealer of the vehicle claims the credit on the purchaser's behalf.</p> <p>Add a purpose and performance measures</p> <p>Regulate under section 1271, 12813</p> <p>HB 23-1251 removes the reference to Category 2 and Category 3 motor vehicles and the expiration date of the tax credit related to those vehicles.</p> <p>Yes, HB 23-1272 established a purpose and performance measures</p>
Innovative Trucks Income Tax Credit / Innovative Trucks Credit	Innovative Trucks Income Tax Credit provides purchasers or dealers (financiers) a refundable income tax credit for the purchase or lease of an eligible new electric truck. Credits range, depending on vehicle type, and the tax year.	2027	Discretionary	TBD	May Re-Review	39-22-516.8	1/1/2029	7/1/2022 2022-TE14	Unknown	<p>The General Assembly may want to consider amending statute to establish statutory purpose and performance measures for the credits. HB 23-1272 extends and expands tax credits for the purchase or lease of electric trucks (which is phased out over time). Regulates old tax credit levels for the four categories of trucks and extends reporting dates for different categories (this repeal also gets rid of natural gas, hydrogen, or other fuel truck credits so it is only applicable to electric and plug-in hybrids starting 2024):</p> <ul style="list-style-type: none"> Category 1 light-duty passenger motor vehicle over 8,500 GVWR or light-duty electric truck or purchase for tax years 2024 through 2028 Category 7 medium-duty electric truck lease or purchase for tax years 2024 through 2022 <p>Yes, HB 23-1272 established a purpose and performance measures</p>

Conservation Easement Credit	The Conservation Easement Credit is available to landowners who create a perpetual conservation easement and donate part or all of the easement's value to a certified land conservation organization. For easements donated on or after January 1, 2021, the credit is equal to 50 percent of the donated easement's fair market value.	2027	Discretionary	TBD	May Re-Review	39-22-522	N/A	4/1/2022	2022-TE24	\$23.9 million	The General Assembly may want to establish performance measures for the credit.
Downloadable Software Exemption	The Downloadable Software Exemption exempts software that is downloaded at the time of purchase from sales tax.	2027	Discretionary	TBD	May Re-Review	39-26-102(15)(d)(1)(C)	N/A	4/1/2022	2022-TE20	At least \$83 million	The General Assembly may want to consider establishing a statutory purpose and performance measures.
Exemption for Donations by Manufacturers to Government and Charitable Organizations / Manufacturer Donations Exemption	The Manufacturer Donations Exemption exempts from sales and use tax donations of manufactured goods exceeding \$1,000 in aggregate value from manufacturers to the U.S. federal government, the State of Colorado (including its political subdivisions, departments, and institutions), local governments, and Internal Revenue Code 501(c)(3) tax-exempt organizations. Additional statutory reference: 39-26-733(3)(d)	2027	Discretionary	TBD	May Re-Review	39-26-705(2)	N/A	9/1/2021	2021-TE24	Unknown	The General Assembly may want to consider establishing a statutory purpose and performance measures.
Aircraft Parts Exemption	The Aircraft Parts Exemption provides a sales and use tax exemption for the purchase, storage, or use of components and parts that are permanently affixed to an aircraft.	2027	Discretionary	TBD	May Re-Review	39-26-711(1)(b) and (2)(b)	N/A	1/1/2022	2022-TE12	Unknown	The General Assembly may want to consider: • Establishing a statutory purpose and performance measures. • Reviewing the effectiveness of the Fly-away and Aircraft Parts Exemptions.
Non-resident Aircraft Sales and Use Tax Exemption / Fly-away Exemption	The Non-resident Aircraft Sales Exemption provides non-residents with a sales and use tax exemption for the purchase of an aircraft that will be removed from the state within the latter of either 120 days or 30 days after the completion of maintenance or refurbishments associated with the sale.	2027	Discretionary	TBD	May Re-Review	39-26-711.5(1)	N/A	1/1/2022	2022-TE12	Unknown	The General Assembly may want to consider: • Establishing a statutory purpose and performance measures. • Reviewing the effectiveness of the Fly-away and Aircraft Parts Exemptions.
Sales and Use Tax Exemption for Loans of Historic Aircraft to Museums / Historic Aircraft Exemption	The Historic Aircraft Exemption exempts historic aircraft loaned to museums from state sales and use tax.	2027	Discretionary	TBD	May Re-Review	39-26-711.9	N/A	4/1/2022	2022-TE21	Unknown	None
Sales by Charitable Organizations Exemption	The Sales by Charitable Organizations Exemption allows charitable organizations to exempt their sales of tangible personal property, commodities, or services from sales tax.	2027	Discretionary	TBD	May Re-Review	39-26-718(1)(b)	N/A	9/1/2021	2021-TE25	\$1.28 million	The General Assembly may want to consider establishing a statutory purpose and performance measure. Additionally, we found that some Department of Revenue regulations related to the exemption are not up to date.
Bingo-offline Equipment Sales and Use Tax Exemption / Bingo Exemption	The Bingo Exemption exempts bingo-offline licenses from sales and use tax on purchases, storage, use, or consumption of equipment related to games of bingo or raffles.	2027	Discretionary	TBD	May Re-Review	39-26-720	N/A	1/1/2022	2022-TE3	Minimal	The General Assembly may want to consider establishing a statutory purpose and performance measures.

SB 24-126: Made numerous substantive changes to the credit, including (1) increasing the credit cap over a period of several years until it reaches \$75 million in 2027; (2) adding new requirements regarding how the credit waiver is prioritized after the cap is reached; (3) reducing the value of the credit to 80% of the donated value starting in 2027; (4) increasing the refundable amount to \$200,000 per donor starting in 2027; (5) allowing donors to claim a refundable credit in years when the TABOR cap is not exceeded; and (6) requiring conservation easements granted in 2025 or later to include a provision allowing the holder to agree to examine wind or solar facilities that do not impair conservation.

Components Used to Produce Renewable Energy Exemption / Components for Renewable Energy Exemption / Renewable Energy Exemption	The Renewable Energy Exemption allows "all sales, storage, and use of components used in the production of alternating current electricity from a renewable energy source... [to] be exempt from taxation."	2027	Discretionary	TBD	May Re-Review	39-26-724(1)(a)	N/A	1/1/2022	2022-TE13	\$6.2 million	<p>HB 22-1312 repair (1)(b),(2A.3), and 2)(c) to address inconsistencies in definitions.</p> <p>(1) (b) For state fiscal years 2020-23 through 2026-27, all sales, storage, and use of components used in solar thermal systems shall be exempt from taxation under parts 1 and 2 of this article.</p> <p>(2) As used in this section (a.3) "Components used in solar thermal systems" include, but are not limited to:</p> <p>The General Assembly may want to consider:</p> <ul style="list-style-type: none"> Establishing statutory performance measures. Reviewing the cost-effectiveness of the exemption. <p>(1) Solar collectors, including flat plate collectors, evacuated tube collectors, solar air collectors, and concentrating solar thermal collectors.</p>	
Property for Use in Space Flight Exemption / Space Flight Exemption	The Property for Use in Space Flight Exemption exempts the sale, storage, and use of qualified property for use in space flight from sales and use tax.	2027	Discretionary	TBD	May Re-Review	39-26-728	N/A	4/1/2022	2022-TE23	\$	12,000.00	None
Net Fuel Excise Tax Exemption	Provides scheduled air carriers and common or air carriers that are exempt from the federal excise tax an exemption from the State's net fuel excise tax (50.06/ gallon).	2027	Discretionary	TBD	May Re-Review	39-27-102.5(2.5)(a)(i)	N/A	4/1/2022	2022-TE14	\$16.7 million		<p>The General Assembly may want to consider:</p> <ul style="list-style-type: none"> Establishing a statutory purpose and performance measures for the exemptions.
Small Business Recovery Loan Program Premium Tax Credit	A qualified taxpayer may purchase small business recovery tax credits from the Department and apply the tax credits against its premium tax liability.	2028	Required	N/A	Will Review - New Expenditure	24-36-206					6/30/2022	
Colorado Semi-Conductor Manufacturing Zone Investment Tax Credit	Creates a refundable income tax credit for taxpayers for Advanced Manufacturing and Semiconductor Manufacturing that are allowed the Enterprise Zone Investment Tax Credit.	2028	Required	N/A	Will Review - New Expenditure	24-46-108						7/1/2029
Colorado Semi-Conductor Manufacturing Zone Commercial Vehicle Investment Tax Credit	Creates a refundable income tax credit for taxpayers for Advanced Manufacturing and Semiconductor Manufacturing that are allowed the Enterprise Zone Commercial Vehicle Investment Tax Credit.	2028	Required	N/A	Will Review - New Expenditure	24-46-108						7/1/2029
Colorado Semi-Conductor Manufacturing Zone Qualified Job Training Tax Credit	Creates a refundable income tax credit for taxpayers for Advanced Manufacturing and Semiconductor Manufacturing that are allowed the Enterprise Zone Commercial Qualified Job Training Program Credit.	2028	Required	N/A	Will Review - New Expenditure	24-46-108						7/1/2029
Colorado Semi-Conductor Manufacturing Zone New Employee Tax Credit	Creates a refundable income tax credit for taxpayers for Advanced Manufacturing and Semiconductor Manufacturing that are allowed the Enterprise Zone New Employee Credit.	2028	Required	N/A	Will Review - New Expenditure	24-46-108						7/1/2029

Colorado Semi-Conductor Manufacturing Zone Employee Health Insurance Tax Credit	Creates a refundable income tax credit for taxpayers for Advanced Manufacturing and Semiconductor Manufacturing that are allowed the Enterprise Zone Employee Health Insurance Credit.	2028 Required	N/A	Will Review - New Expenditure	24-46-108	7/1/2029	
Colorado Semi-Conductor Manufacturing Zone Research and Experimental Activities Tax Credit	Creates a refundable income tax credit for taxpayers for Advanced Manufacturing and Semiconductor Manufacturing that are allowed the Enterprise Zone Research & Experimental Credit.	2028 Required	N/A	Will Review - New Expenditure	24-46-108	7/1/2029	
Temporary CARES Act Deduction	Taxpayers can subtract from federal taxable income for income tax years beginning on or after January 1, 2021, but before January 1, 2022, certain income impacted by the federal CARES Act.	2028 Required	N/A	Will Review - New Expenditure	39-22-1094(3)(c)	1/1/2022	
Credit for Pass-through Electing to File at Entity Level	For income tax years commencing on or after January 1, 2018, an electing pass-through entity owner is allowed an income tax credit equal to the share of the tax imposed pursuant to section 39-22-344 (1) on the electing pass-through entity.	2028 Required	N/A	Will Review - New Expenditure	39-22-347	N/A	
Clean Hydrogen Tax Credit	Refundable income tax credit based on the kilogram use of clean hydrogen used for a "qualified use" 140-2-13(2)(i), C.R.S. that results in a certain greenhouse gas emissions rate.	2028 Required	N/A	Will Review - New Expenditure	39-22-557	1/1/2033	
Care Worker Credit	A refundable income tax credit (\$1,200 for a single filer and \$2,400 for two joint filers) for resident individuals working in the care workforce, including child care, nursing facilities, and home- and community-based services.	2028 Required	N/A	Will Review - New Expenditure	39-22-566	1/1/2029	N/A
Temporary Sales Tax Retention Deduction	A qualifying retailer may deduct from state net taxable sales the lesser of the aggregate state net taxable sales for all sites or \$750,000 and retain the resulting state sales tax collector for each month specified in this section.	2028 Required	N/A	Will Review - New Expenditure	39-26-105(1, 3)	10/1/2022	
Decarbonizing Building Materials Exemption	On and after July 1, 2024, all sales, storage and use of eligible decarbonizing building materials that are on the list of eligible materials maintained by the office of the state architect are exempt from sales and use tax.	2028 Required	N/A	Will Review - New Expenditure	39-26-731	7/1/2034	

Sales Use Tax Exemption Wildfire Disaster Construction	Sales and use tax exemption for construction and building materials used for repairing and rebuilding residential structures damaged or destroyed by a declared wildfire disaster in 2020, 2021, or 2022.	2028	Repealed	N/A	Will Review - New Expenditure	39-26-734		6/30/2028			
Reinsurance Deduction	The Reinsurance Deduction allows insurers to deduct from their premium tax base any reinsurance premiums they receive for assuming another insurer's in-state risks.	2028	Discretionary	TBD	May Re-Review	10-3-2091(a)	N/A	02/28/2023 05/05/2029	2023-TE5 2029-TE3	None	Round 1: The General Assembly may want to consider allowing insurers to deduct any licenses, fees, or taxes they pay to local governments for the purpose of determining their premium tax liability. Round 2: We did not repeat this JC because it was not cited as an issue for stakeholders and the financial impact could not be calculated.
Return Premium Deduction	The Early Return Premium Deduction allows certain insurers to deduct from their premium tax base any dividends and refunds that they make to policyholders.	2028	Discretionary	TBD	May Re-Review	10-3-2091(a)	N/A	02/28/2023 05/05/2029	2023-TE5 2029-TE3	None	Round 1: The General Assembly may want to consider allowing insurers to deduct any licenses, fees, or taxes they pay to local governments for the purpose of determining their premium tax liability. Round 2: We did not repeat this JC because it was not cited as an issue for stakeholders and the financial impact could not be calculated.
Early Termination Deduction	The Early Termination Deduction allows certain insurers to deduct from their premium tax base any dividends and refunds that they make to policyholders.	2028	Discretionary	TBD	May Re-Review	10-3-2091(a)	N/A	02/28/2023 05/05/2029	2023-TE5 2029-TE3	None	Round 1: The General Assembly may want to consider allowing insurers to deduct any licenses, fees, or taxes they pay to local governments for the purpose of determining their premium tax liability. Round 2: We did not repeat this JC because it was not cited as an issue for stakeholders and the financial impact could not be calculated.
Medical Marijuana Business Expense Deduction (Individuals)	Medical Marijuana business expense deduction allows licensed marijuana businesses to deduct business expenses that are disallowed for federal tax purposes from their Colorado taxable income.	2028	Discretionary	TBD	May Re-Review	39-22-1044(f)	N/A		9/1/2022-2022-TE37	\$5,500,000	The General Assembly may want to consider establishing statutory purposes and performance measures for the Marijuana Related Tax Expenditures.
Retail Marijuana Business Expense Deduction (Individuals)	Retail Marijuana business expense deduction allows licensed marijuana businesses under the "COLORADO RETAIL MARIJUANA CODE" to deduct business expenses that are disallowed for federal tax purposes from their Colorado taxable income.	2028	Discretionary	TBD	May Re-Review	39-22-1044(f)	N/A		9/1/2022-2022-TE37	\$5,500,000	The General Assembly may want to consider establishing statutory purposes and performance measures for the Marijuana Related Tax Expenditures.
Sacramental Wines Excise Tax Exemption	This expenditure excludes sacramental wines that are used for religious purposes from the liquor excise tax.	2028	Discretionary	TBD	May Re-Review	44-3-106(f)	N/A	05/13/2023 09/05/2028	2023-TE7 2028-TE7	Minimal	Round 2: We did not identify any new policy considerations for this exemption. In our previous evaluation of the exemption, we included a policy consideration that, in order to ensure that all religious groups are treated equally, the General Assembly could consider amending the exemption to accommodate sacramental wines' different distribution paths, or alternatively, it could repeal the exemption. Round 3: The General Assembly could consider amending the Sacramental Wines Exemption to accommodate multiple distribution paths for sacramental wines and to ensure that all religious groups are treated equally. HB 22-1025 (Repeal of Infrequently Used Tax Expenditures) would have repealed the Sacramental Wines Exemption but it was amended out of the bill.
Military Retirement Benefits Deduction	This income tax deduction allows military retirees under age 55 to deduct \$15,000 of their military retirement pension income from state taxable income.	2028	Discretionary	TBD	May Re-Review	39-22-1044(h)		1/1/2029	2/28/2023-2023-TE2	\$ 2,500,000.00	If the deduction is renewed, the General Assembly may want to consider periodically increasing the amount of the deduction to account for pension cost of living increases and/or inflation. HB 23-1284 extended the Deduction to FY 2025, made the \$15,000 deduction amount permanent for 2022-2026 and added a new purpose and performance measure. HB 23-1084 extended the deduction but did not tie it to inflation (a separate bill SB 23-105 was set to tie it to inflation but the bill was PWD).

Credit for Taxes Paid to Other States	A nonrefundable income tax credit is allowed to a resident individual, trust, or estate for income tax accrued to another state, the District of Columbia, or a territory or possession of the United States, subject to certain limitations.	2028	Discretionary	TBD	May Re-Review	39-22-108	N/A	05/10/2021 09/01/2018	2021-TE10 2018-TE5	\$	262,600,000.00	None
Insurance Premium Income Tax Exemption	The Insurance Premium Income Tax Exemption requires insurance companies to pay a premium tax on the gross amount of revenue they receive from policies or contracts on risks or obligations located in Colorado, rather than paying an income tax (which was enacted after the premium tax was passed). (Note: Enacting bill number is not available) Additional statutory reference: 30-9-206(c)	2028	Discretionary	TBD	May Re-Review	39-22-112(1)	N/A	03/28/2023 01/03/2019	2023-TE5 2019-TE3	N/A		Round 1: The General Assembly may want to consider allowing insurers to deduct any licenses, fees, or taxes they pay to local governments for the purpose of determining their premium tax liability. Round 2: We did not repeat this VC because it was not cited as an issue for stakeholders and the financial impact could not be calculated.
Foreign Source Income Exclusion for Export Partnerships / Export Partnership Exclusion	Foreign source income exclusion for export partnerships allows the partners of export partnerships to exclude from their gross income for Colorado income tax purposes their distributive share of any partnership income or gain that is considered foreign source income for federal income tax purposes.	2028	Discretionary	TBD	May Re-Review	39-22-206	N/A		9/1/2022 2022-TE36	Unknown		The General Assembly may want to consider establishing statutory purposes and performance measures for the exclusions.
Foreign Source Income Exclusion for C Corporations / Foreign Source Income Exclusion	Foreign source income exclusion for C-corporations allows C-corporations with foreign source income that claim a federal deduction or credit for foreign taxes paid to exclude some of their foreign source income when calculating their Colorado taxable income.	2028	Discretionary	TBD	May Re-Review	39-22-309(10)	N/A		9/1/2022 2022-TE36	\$81.7 million		The General Assembly may want to consider establishing statutory purposes and performance measures for the exclusions. HB 24-1154 amendments [309(10)] AND [309(8)(f)] updates statute to reflect current sections of the IRC.
Medical Marijuana Business Expense Deduction (Corporations)	Marijuana business expense deduction for medical marijuana allows licensed marijuana businesses to deduct business expenses that are disallowed for federal tax purposes from their Colorado taxable income.	2028	Discretionary	TBD	May Re-Review	39-22-304(3)(n)	N/A		9/1/2022 2022-TE37	\$	5,100,000.00	The General Assembly may want to consider establishing statutory purposes and performance measures for the Marijuana Related Tax Expenditures.
Retail Marijuana Business Expense Deduction (Corporations)	Retail Marijuana business expense deduction allows licensed marijuana businesses under the "COLORADO RETAIL MARIJUANA CODE" to deduct business expenses that are disallowed for federal tax purposes from their Colorado taxable income.	2028	Discretionary	TBD	May Re-Review	39-22-304(3)(n)	N/A		9/1/2022 2022-TE37	\$	5,100,000.00	The General Assembly may want to consider establishing statutory purposes and performance measures for the Marijuana Related Tax Expenditures.
Credit for Retrofitting Home for Health	The Home Modification Tax Credit provides up to a \$5,000 nonrefundable income tax credit to eligible taxpayers who modify an existing home to better accommodate a resident with an illness, impairment, or disability.	2028	Discretionary	TBD	May Re-Review	39-22-541		1/1/2029	2/28/2021 2021-TE1	\$	76,400.00	The General Assembly may want to: • Review the cost effectiveness of the credit. • Consider making the credit refundable to make home modifications more affordable for taxpayers with lower incomes. Extended the credit expiration date to 2029 and the repeal date for the section to 2041. SB 23-106 increased the carryforward period to make the credit more effective (longer timeline to apply the credit to income tax), but did not consider making the credit refundable.
Newspapers Exemption	The Newspapers Exemption excludes the sale of newspapers from state sales and use tax.	2028	Discretionary	TBD	May Re-Review	39-26-102(1)(4)(I)	N/A	05/31/2021 09/01/2018	2021-TE6 2018-TE9	\$1.7 million (2017)		In first evaluation of the Newspaper & Printer's Ink and Newspapers Exemptions, published in September 2018, we included a policy consideration that the General Assembly could consider clarifying whether digital newspapers or other electronic news sources are also exempt from sales/use tax. They did not take action and we did not repeat the policy consideration in our second round report, published in May 2023.

Newsprint & Printer's Ink Exemption	The Newsprint & Printer's Ink Exemption exempts newspaper publishers and commercial printers from paying state sales and use tax on their purchases of newspaper and printer's ink. Additional statutory reference: 39-26-70(1) - use tax exemption	2028	Discretionary	TBD	May Re-Review	39-26-10021(a)	N/A	05/31/2023 09/05/2018	2023-TE6 2018-TE9	\$300,000 (2023)	None
Long-term Lodging Exemption	The Long-term Lodging Exemption excludes stays of 30 days or more at lodgings, such as hotels, homes, cabins, and campgrounds, from state sales tax.	2028	Discretionary	TBD	May Re-Review	39-26-704(3)	N/A	03/28/2023 09/05/2018	2023-TE3 2018-TE8	\$8.1 million	Round 1 PC: The General Assembly could consider amending statute to clarify the exemption's eligibility requirements and clarify its applicability to third-party payers. Round 2: No PC Round 1 Report: The General Assembly could consider amending statute to clarify the exemption's eligibility requirements and clarify its applicability to third-party payers for the exemption (natural persons only), but there was no action on defining the types of applicable lodging. HB 20-1020 addressed the applicable parties for the exemption (natural persons only), but there was no action on defining the types of applicable lodging.
Farm Close-out Sales Tax Exemption	Under the Farm Close-out Exemption, sales of property used for farming or ranching by Colorado agricultural producers who are abandoning operations and holding a farm close-out sale, either by auction or private sale, are not subject to state sales tax and some local sales taxes.	2028	Discretionary	TBD	May Re-Review	39-26-7264(a)	N/A	05/31/2023 09/05/2018	2023-TE7 2018-TE3	Unknown	Round 2 Report: Round 1 PC was not repeated due to low cost of the expenditure and a P'ed bill to address the Round 1 PC. Round 1 Report: The General Assembly may wish to review the exemption's exemption of on-road motor vehicles sold at farm close-out sales from sales tax, because this appears inconsistent with other tax expenditures that are intended to reduce the sales tax liability of farmers and ranchers. Bill for round 1PC was P'ed N/A from Round 2
Sales to Charitable Organizations Exemption	The Sales to Charitable Organizations Exemption exempts charitable organizations from paying state sales on purchases related to their charitable activities and functions.	2028	Discretionary	TBD	May Re-Review	39-26-718(1)(a)	N/A	05/31/2023 09/05/2018	2023-TE8 2018-TE10	Could not determine	We did not identify any new policy considerations for the exemption. In our previous evaluation of the exemption, released in September 2018, we included a policy consideration informing the General Assembly that some charitable organizations reported experiencing issues with retaining the exemption due to retailers not applying it consistently. The General Assembly did not take any legislative action on this policy consideration.
Medical Marijuana Sales Tax Exemption for Indigent Patients / Indigent Patients Exemption	The Medical Marijuana Sales Tax Exemption for indigent patients exempts purchases of medical marijuana by indigent patients from the state sales tax.	2028	Discretionary	TBD	May Re-Review	39-26-726	N/A		9/1/2022 2022-TE37	\$	10,133.00 The General Assembly may want to consider: • Establishing a statutory purpose and performance measures for the Marijuana Related Tax Expenditures. • Whether it should amend statute to address the limited use of the Indigent Patients Exemption. This could include allowing alternative documentation to establish qualifying income or expanding the exemption to include all medical marijuana sales.
Retail Marijuana Sales Tax Exemption	The Retail Marijuana Sales Tax Exemption exempts sales of retail marijuana from the state sales tax.	2028	Discretionary	TBD	May Re-Review	39-26-729(1)(a)	N/A		9/1/2022 2022-TE37	\$13 million	The General Assembly may want to consider establishing a statutory purpose and performance measures for the Marijuana Related Tax Expenditures.
Residential Energy Storage System Exemption	On and after January 1, 2023, all sales, storage, and use of energy storage systems that are used in a residential dwelling are exempt from sales and use tax.	2028	Discretionary	TBD	May Re-Review	39-26-713		1/1/2023	11/30/2023 memo	No Data	None
Colorado Natural Medicine Business Expense Deduction for Individuals	There shall be subtracted from federal taxable income: For income tax years commencing on or after January 1, 2024, if a taxpayer is licensed pursuant to the "Colorado Natural Medicine Code", article 50 of title 44, an amount equal to any expenditure that is eligible to be claimed as a federal income tax deduction but is disallowed by section 280E of the internal revenue code because natural medicine is a controlled substance under federal law.	2029	Required	N/A	Will Review - New Expenditure	39-23-1044(f), (g)	N/A				

Family Affordability Tax Credit	For income tax years 2024 to 2024, a resident individual is allowed an income tax credit based on the age of the eligible children and the taxpayer's Adjusted Gross Income, dependent on TABOR revenue each year.	2029 Required	N/A	Will Review - New Expenditure	39-22-130	1/1/2034	N/A	N/A
Colorado Natural Medicine Business Expense Deduction for Corporations	There shall be subtracted from federal taxable income: For income tax years commencing on or after January 1, 2024, if a taxpayer is licensed pursuant to the "Colorado Natural Medicine Code", an amount equal to any expenditure that is eligible to be claimed as a federal income tax deduction but is disallowed by section 280E of the internal revenue code because natural medicine is a controlled substance under federal law.	2029 Required	N/A	Will Review - New Expenditure	39-22-3043(m-5)		N/A	
Food Consortium Income tax credit	Allows an income tax credit to members of the food consortium (members of the community food consortium for small food retailers and Colorado owned and operated farms) for expenditures related to completing duties and responsibilities of the consortium (i.e., money spent on parking, distribution and delivery fees eligible for subsidy but not covered).	2029 Required	N/A	Will Review - New Expenditure	39-22-5493(j)(1)	1/1/2031		
Food Recovery and Resilience Equipment Income tax credit	Allows an income tax credit for expenditures on qualified equipment under the small food business recovery and resilience grant program.	2029 Required	N/A	Will Review - New Expenditure	39-22-5493(i)(1)	1/1/2031		
Industrial Clean Energy Study Tax Credits	Refundable income tax credit for qualifying expenditures by an owner of an industrial facility to undertake an industrial emissions study for greenhouse gas emissions reduction improvements.	2029 Required	N/A	Will Review - New Expenditure	39-22-5513(i)(1)	1/1/2033		
Industrial Clean Energy Improvements Tax Credit	Refundable income tax credit for qualifying expenditures by an owner of an industrial facility to implement greenhouse gas emissions reduction improvements.	2029 Required	N/A	Will Review - New Expenditure	39-22-5513(j)(1)	1/1/2033		
Geothermal Energy Project tax credit	Refundable state income tax credit, administered by the Colorado Energy Office for qualifying expenditures made to evaluate and develop a geothermal energy resource for the purpose of electricity production.	2029 Required	N/A	Will Review - New Expenditure	39-22-552	1/1/2033		
Geothermal Electricity Generation Production Tax Credit	Refundable state income tax credit, administered by the Colorado Energy Office, for the production of geothermal electricity for sale or for own use, based on kilowatt hours of geothermal electricity generated.	2029 Required	N/A	Will Review - New Expenditure	39-22-553	1/1/2033		

Heat Pump Installation Tax Credit	Heat pump installers pre-approved by the energy office that installs heat pump technology in a building in the state, on a campus in the state, or develops, through purchase and installation of necessary equipment, a thermal energy network in the state is allowed an income tax credit.	2029 Required	N/A	Will Review - New Expenditure	39-22-554		1/1/2033		NA	HB 24-1352 DID NOT PASS but relevant to credit. Would have changed the credit amount to a flat amount rather than an amount that reduces each year, would have made changes to definitions of certain qualifying criteria for efficiency or types of technology, and would have required the Colorado Energy Office to post information about the credit on its website.
Electric Bicycle Tax Credit	A qualified retailer is allowed an income tax credit equal to five hundred dollars for each retail sale of new qualified electric bicycles sold in the state during the income tax year to a qualified purchaser.	2029 Required	N/A	Will Review - New Expenditure	39-22-555		1/1/2033			
Sustainable Aviation Fuel Production Tax Credit	An aviation business, a sustainable aviation fuel producer, or airport is allowed a income tax credit for an percentage amount of the actual cost paid to construct, reconstruct, or erect a sustainable aviation fuel production facility in the state phased out by tax year.	2029 Required	N/A	Will Review - New Expenditure	39-22-556		1/1/2033			
Tax credit for the certification of aircraft to use unleaded aviation gasoline	A refundable income tax credit equal to 50% of qualifying expenses, up to \$500, for owners of aircraft that incur qualifying expenses to enable an aircraft that is powered by leaded aviation gasoline to be certified to instead be powered by unleaded aviation gasoline.	2029 Required	N/A	Will Review - New Expenditure	39-22-560		12/31/2029		N/A	
Credit for Insolvency Assessments Paid	A member insurer may offset against its premium tax liability the amount that was assessed for the association's life and annuity accounts pursuant to section 10-20-106 to the extent of twenty percent of the amount of such assessment for each of the first, second, third, fourth, and fifth calendar years following the year in which such assessment was paid.	2029 Discretionary	TBD	May Re-Review	10-20-113	N/A	N/A 06/31/2023	2023-TE12	\$	305,000.00 None Round 1: The General Assembly may want to consider reviewing the Fraternal Society Exemption due to its age and the large changes in the role of fraternal in society and the insurance industry since it was created to assess whether the exemption continues to serve a valid purpose. Round 2: We did not identify any new policy considerations for the exemption. In our previous evaluation of the exemption, released in January 2019, we included a policy consideration that the General Assembly may want to assess whether the exemption continues to serve a valid purpose because of its age and the large changes in both the role of fraternal societies and the insurance industry since
Fraternal Society Exemption	The Fraternal Society Exemption exempts fraternal benefit societies, which are social groups organized around a common bond that offer insurance products to their members, from insurance premium tax. (Note: Enacting bill number is not available)	2029 Discretionary	TBD	May Re-Review	10-3-209(4)(d)(i)	N/A	11/02/2023 07/01/2019	2023-TE17 2019-TE2	\$3.3 million	Two interim legislative committees (the Tax Expenditure Evaluation Interim Study Committee in 2019 and the Legislative Oversight Committee Concerning Tax Policy in 2021) reviewed this policy consideration and elected not to take any legislative action.
Excise Tax Credit for Unsalable Alcoholic Beverages / Unsalable Alcoholic Beverages Credit	The Excise Tax Credit for Unsalable Alcoholic Beverages allows manufacturers and distributors of alcoholic beverages to receive a credit or refund for the amount of excise taxes previously paid for alcoholic beverages that later become unfit for sale due to damage or destruction.	2029 Discretionary	TBD	May Re-Review	44-3-503(3)	N/A	11/02/2023 07/01/2019	2023-TE16 2019-TE25	\$230,189 (2021)	Round 2 No new policy considerations - the General Assembly did not take action on round 1 policy consideration. Round 1 The General Assembly may want to consider amending statute to clarify whether it intended to allow taxpayers to take the credit for alcoholic beverages rendered unsalable due to spoilage. The GA did not take action on round 1 policy consideration.
Tax-exempt Organization Insurance Premium Tax Deduction / Tax-exempt Organization Deduction	The Tax-Exempt Organization Insurance Premium Tax Deduction allows insurers to deduct from their premium tax any premiums collected for policies purchased by tax-exempt organizations for their employees.	2029 Discretionary	TBD	May Re-Review	10-3-209(1)(d)(v)	N/A	02/29/2024 06/01/2019	2024-TE1 2019-TE11	Between \$4-\$10 million	2024-TE1: The Division could consider providing written instructions for insurers on its tax filing forms, along with guidance on the types of premiums that are tax exempt and how they should be claimed. We included the same policy consideration in our previous evaluation of this expenditure in 2023. 2019-TE 11: The Division of Insurance's filing system and instructions do not clearly indicate how insurers should deduct insurance premiums for insurance purchased by non-profit, charitable, and religious organizations. None

Bill Number	Title	Effective Date	Priority	Author	Status	Committee	Staff	Comments	Impact
2029	State Income Tax Refund Deduction for Individuals, Estates, and Trusts	Discretionary	TBD	May Re-Review	39-22-1044(s)	N/A	02/29/2024 04/05/2025	2024-TE4 2025-TE12	\$4.7 million (2020)
2029	Child Care Expenses Credit / Child Care Credit	Discretionary	TBD	May Re-Review	39-22-119	N/A	12/21/2023 01/05/2025	2023-TE10 2025-TE5	\$5.1 million
2029	State Income Tax Refund Deduction for Corporations	Discretionary	TBD	May Re-Review	39-22-3043(j)	N/A	02/29/2024 04/05/2025	2024-TE4 2025-TE12	\$1,400,000.00
2029	Deduction for Wages & Salaries Due to Internal Revenue Code Section 280C (IRC 280C) Deduction	Discretionary	TBD	May Re-Review	39-22-3043(j)	N/A	02/29/2024 04/05/2025	2024-TE1 2025-TE8	Unknown
2029	Contaminated Land Redevelopment Credit / Brownfields Credit	Discretionary	TBD	May Re-Review	39-22-536	N/A	11/08/2023 1/1/2030 01/05/2022	2023-TE15 2022-TE11	\$1.3 million
2029	Business Personal Property Tax Credit	Discretionary	TBD	May Re-Review	39-22-537.5	N/A	6/29/2024	2024-TE5	\$169,818.00
2029	Rural & Frontier Healthcare Preceptor Credit / Preceptor Credit	Discretionary	TBD	May Re-Review	39-22-538	N/A	08/13/2023 01/05/2025	2023-TE11 2025-TE1	\$82,065 (2021)
2029	Film Incentive Tax Credit	Discretionary	TBD	May Re-Review	39-22-559	N/A	12/13/2021	11/30/2023	None - Memo

Wholesale Exemption	The Wholesale Exemption exempts wholesale transactions from state retail sales tax. Related statutes: 39-26-102(1) and 39-26-104(1)(a)	2029	Discretionary	TBD	May Re-Review	39-26-102(1)(a)	N/A	08/31/2023 09/05/2018	2023-TE14 2018-TE12	Could not determine	None
Agricultural Inputs Exemption: Agricultural compounds, including fungicides, herbicides, insecticides, and spray adjuvants, when for agricultural or ranching purposes; hormones, vaccines, and growth regulating compounds administered to livestock	The Agricultural Inputs Exemptions exempt most inputs to agricultural operations from state sales and use tax.	2029	Discretionary	TBD	May Re-Review	39-26-102(1)(c)	N/A	08/31/2023 01/15/2019	2023-TE13 N/A	\$249.5 million (all agricultural input exemptions combined)	Round 2: No policy considerations Round 1: The General Assembly may want to review and clarify statutes specifying which agricultural inputs are exempt, including fertilizer; soil conditioners, plant amendments, plant growth regulators, mulches, compost, and manure; aquaculture; and embryo/fish eggs. HB 19-1129 expanded the exemption to include fertilizer
Agricultural Inputs Exemption: Pesticides	The Agricultural Inputs Exemptions exempt most inputs to agricultural operations from state sales and use tax.	2029	Discretionary	TBD	May Re-Review	39-26-102(1)(c)	N/A	08/31/2023 01/15/2019	2023-TE13 N/A	\$249.5 million (all agricultural input exemptions combined)	Round 2: None Round 1: The General Assembly may want to review and clarify statutes specifying which agricultural inputs are exempt, including fertilizer; soil conditioners, plant amendments, plant growth regulators, mulches, compost, and manure; aquaculture; and embryo/fish eggs. In 2019, with House Bill 19-1129, the General Assembly added explicit exemptions for fertilizer and spray adjuvants for use in agricultural commodity production. The General Assembly did not take any legislative action to clarify whether the other three agricultural inputs are exempt from sales and use taxes.
Sales Tax Exemption for Fertilizer and Spray Adjuvants	The Agricultural Inputs Exemptions—exempt most inputs to agricultural operations from state sales and use tax, including the following: Fertilizer for use in the production of agricultural commodities, spray adjuvants used in caring for livestock or in the production of agricultural commodities	2029	Discretionary	TBD	May Re-Review	39-26-102(1)(a) & (f)	N/A	08/31/2023 01/15/2019	8/31/2023 2023-TE13	\$249.5 million (2021) - for all agricultural inputs	None In 2019, with House Bill 19-1129, the General Assembly added explicit exemptions for fertilizer and spray adjuvants for use in agricultural commodity production.
Agricultural Inputs Exemption: Livestock	The Agricultural Inputs Exemptions exempt most inputs to agricultural operations from state sales and use tax.	2029	Discretionary	TBD	May Re-Review	39-26-7564(a)	N/A	08/31/2023 01/15/2019	2023-TE13 2019-TE4	\$249.5 million (all agricultural input exemptions combined)	Round 2: None Round 1: The General Assembly may want to review and clarify statutes specifying which agricultural inputs are exempt, including fertilizer; soil conditioners, plant amendments, plant growth regulators, mulches, compost, and manure; aquaculture; and embryo/fish eggs. In 2019, with House Bill 19-1129, the General Assembly added explicit exemptions for fertilizer and spray adjuvants for use in agricultural commodity production. The General Assembly did not take any legislative action to clarify whether the other three agricultural inputs are exempt from sales and use taxes.
Agricultural Inputs Exemption: Fish for Stocking purposes	The Agricultural Inputs Exemptions exempt most inputs to agricultural operations from state sales and use tax.	2029	Discretionary	TBD	May Re-Review	39-26-7564(a)	N/A	08/31/2023 01/15/2019	2023-TE13 2019-TE4	\$249.5 million (all agricultural input exemptions combined)	Round 2: None Round 1: The General Assembly may want to review and clarify statutes specifying which agricultural inputs are exempt, including fertilizer; soil conditioners, plant amendments, plant growth regulators, mulches, compost, and manure; aquaculture; and embryo/fish eggs. In 2019, with House Bill 19-1129, the General Assembly added explicit exemptions for fertilizer and spray adjuvants for use in agricultural commodity production. The General Assembly did not take any legislative action to clarify whether the other three agricultural inputs are exempt from sales and use taxes.
Agricultural Inputs Exemption: Feed for livestock, seeds, and orchard trees	The Agricultural Inputs Exemptions exempt most inputs to agricultural operations from state sales and use tax.	2029	Discretionary	TBD	May Re-Review	39-26-7564(b)	N/A	08/31/2023 01/15/2019	2023-TE13 2019-TE4	\$249.5 million (all agricultural input exemptions combined)	Round 2: None Round 1: The General Assembly may want to review and clarify statutes specifying which agricultural inputs are exempt, including fertilizer; soil conditioners, plant amendments, plant growth regulators, mulches, compost, and manure; aquaculture; and embryo/fish eggs. In 2019, with House Bill 19-1129, the General Assembly added explicit exemptions for fertilizer and spray adjuvants for use in agricultural commodity production. The General Assembly did not take any legislative action to clarify whether the other three agricultural inputs are exempt from sales and use taxes.
Agricultural Inputs Exemption: Straw and bedding for livestock	The Agricultural Inputs Exemptions exempt most inputs to agricultural operations from state sales and use tax.	2029	Discretionary	TBD	May Re-Review	39-26-7564(c)	N/A	08/31/2023 01/15/2019	2023-TE13 2019-TE4	\$249.5 million (all agricultural input exemptions combined)	Round 2: None Round 1: The General Assembly may want to review and clarify statutes specifying which agricultural inputs are exempt, including fertilizer; soil conditioners, plant amendments, plant growth regulators, mulches, compost, and manure; aquaculture; and embryo/fish eggs. In 2019, with House Bill 19-1129, the General Assembly added explicit exemptions for fertilizer and spray adjuvants for use in agricultural commodity production. The General Assembly did not take any legislative action to clarify whether the other three agricultural inputs are exempt from sales and use taxes.

Special Fuel for Off-road Farm Vehicles Exemption	The sale of special fuel, as defined in section 39-27-301(2)(c), used for the operation of farm vehicles when such vehicles are being used on farms and ranches and the storage, use, or consumption of such special fuel is exempt from sales and use tax.	2029	Discretionary	TBD	May Re-Review	39-26-7564(6)	N/A	08/31/2023 01/01/2020	2023-TE13 2020-TE8	\$1.9 million	None	Previously located at 39-26-7157(3)(i) and 39-26-7162(4) HB 21-1158 removed 7155(a)(3) special fuel (as defined in 39-27-301(2)(c)) used for the operation of farm vehicles when the same are being used on farms or ranches removed 7162(2)(a). The sale of special fuel used for the operation of farm vehicles being used on farms and ranches
Farm Equipment and Parts Exemption	The Farm Equipment Exemption exempts sales of farm and dairy equipment and parts of any amount, and leases of equipment and parts worth \$2,000 or more, from sales and use tax.	2029	Discretionary	TBD	May Re-Review	39-26-7564(6) and (f)	N/A	08/31/2023 01/01/2022	2023-TE13 2022-TE5	\$16.8 million	None	Round 2 FC: None Round 1 FC: The General Assembly may want to consider establishing a statutory purpose and performance measures 7162(i) repealed and relocated to 7165(4)
Two Percent Loss Allowance	The Two Percent Loss Allowance allows taxpayers to deduct two percent of the taxable gallons removed from the terminal in order to account for fuel that is lost in transit, typically due to volumetric shift, evaporation, or other losses in the transfer process.	2029	Discretionary	TBD	May Re-Review	39-27-1021(b)(1)	N/A	06/28/2024 07/01/2019	2024-TE5 2019-TE14	\$1.1 million (2021)	Round 2: None Round 1: None	House Bill 21-1322 removed the requirement that taxpayers allot half of this allowance to retailers.
Dyed Diesel Fuel Excise Tax Exemption / Dyed Diesel Exemption	The Dyed Diesel Fuel Excise Tax Exemption exempts diesel fuel that has been dyed and is used for off-highway or government purposes from the State's excise tax at the time of purchase.	2029	Discretionary	TBD	May Re-Review	39-27-1023(2)	N/A	02/28/2024 07/01/2019	2024-TE2 2019-TE19	\$50.7 million	None	
The Bad Debts and Administrative Allowance	When calculating the amount of fuel excise tax due to the State, distributors shall deduct one-half of one percent to cover expenses of collection of the tax and bad debts.	2029	Discretionary	TBD	May Re-Review	39-27-105(2)	N/A	06/28/2024 07/01/2019	2024-TE6 2019-TE14	\$1.2 million	Round 2: None Round 1: None	
Off-road Fuel Use Excise Tax Exemption: Any other use that entitles a person to a refund	Any person who purchases gasoline or special fuel and pays the tax thereon at the time of such purchase shall be entitled to a refund by the controller, upon voucher certified by the department of revenue of the amount of such tax paid by him or her upon complying with the applicable conditions and provisions of this section, if the gasoline or special fuel is used for the purpose of, any other use that entitles a person to a refund.	2029	Discretionary	TBD	May Re-Review	39-27-1053(a)(9)(i)	N/A	2/29/2024 7/1/2019	2024-TE2 2019-TE23	\$4.4 million for all exemptions in report	None	
Lost or Destroyed Fuel Tax Credit/Refund	Provides a credit or refund to distributors and transporters for the tax paid or accrued on gasoline or special fuel that is lost or destroyed by fire, lightning, flood, windstorm, explosion, accident, or other cause beyond the control of the distributor or transporter.	2029	Discretionary	TBD	May Re-Review	39-27-1051(1)	N/A	06/28/2024 07/01/2019	2024-TE6 2019-TE14	\$12,100 (7% 2011-2017), 50 in 2017, 2019, and 2021	Round 2: None Round 1: None	House Bill 21-1122 clarified that the person in control of the fuel at the time of the incident is the party entitled to receive this credit regardless if they were the one to pay the excise tax.
Off-road Fuel Use Excise Tax Exemption: Operating a stationary gas engine	Any person who purchases gasoline or special fuel and pays the tax thereon at the time of such purchase shall be entitled to a refund by the controller, upon voucher certified by the department of revenue of the amount of such tax paid by him or her upon complying with the applicable conditions and provisions of this section, if the gasoline or special fuel is used for the purpose of: Operating a stationary gas engine.	2029	Discretionary	TBD	May Re-Review	39-27-1053(a)(9)(A)	N/A	2/29/2024 7/1/2019	2024-TE2 2019-TE13	\$4.4 million for all exemptions in report	None	

Off-road Fuel Use Excise Tax Exemption: Operating a motor vehicle on or over fixed rails	Any person who purchases gasoline or special fuel and pays the tax thereon at the time of such purchase shall be entitled to a refund by the controller, upon voucher certified by the department of revenue of the amount of such tax paid by him or her upon complying with the applicable conditions and provisions of this section, if the gasoline or special fuel is used for the purpose of: Operating a motor vehicle over fixed rails.	2029	Discretionary	TBD	May Re-Review	39-27-105(3)(a)(B)	N/A	2/29/2024 7/1/2019	2024-TE2 2019-TE23	\$4.4 million for all exemptions in report	None
Off-road Fuel Use Excise Tax Exemption: Operating a tractor, truck, or other farm implement or machine for agricultural purposes on a farm or ranch	Any person who purchases gasoline or special fuel and pays the tax thereon at the time of such purchase shall be entitled to a refund by the controller, upon voucher certified by the department of revenue of the amount of such tax paid by him or her upon complying with the applicable conditions and provisions of this section, if the gasoline or special fuel is used for the purpose of: Operating a tractor, truck, or other farm implement or machine for agricultural purposes on a farm or ranch.	2029	Discretionary	TBD	May Re-Review	39-27-105(3)(a)(C)	N/A	2/29/2024 7/1/2019	2024-TE2 2019-TE23	\$4.4 million for all exemptions in report	None
Off-road Fuel Use Excise Tax Exemption: Operating a motor boat	Any person who purchases gasoline or special fuel and pays the tax thereon at the time of such purchase shall be entitled to a refund by the controller, upon voucher certified by the department of revenue of the amount of such tax paid by him or her upon complying with the applicable conditions and provisions of this section, if the gasoline or special fuel is used for the purpose of: operating a motor boat.	2029	Discretionary	TBD	May Re-Review	39-27-105(3)(a)(E)	N/A	2/29/2024 7/1/2019	2024-TE2 2019-TE23	\$4.4 million for all exemptions in report	None
Off-road Fuel Use Excise Tax Exemption: Cleaning or dyeing fuel	Any person who purchases gasoline or special fuel and pays the tax thereon at the time of such purchase shall be entitled to a refund by the controller, upon voucher certified by the department of revenue of the amount of such tax paid by him or her upon complying with the applicable conditions and provisions of this section, if the gasoline or special fuel is used for the purpose of: cleaning or dyeing fuel.	2029	Discretionary	TBD	May Re-Review	39-27-105(3)(a)(G)	N/A	2/29/2024 7/1/2019	2024-TE2 2019-TE23	\$4.4 million for all exemptions in report	None
Off-road Fuel Use Excise Tax Exemption: Any commercial use other than the operation of a vehicle upon state highways	Any person who purchases gasoline or special fuel and pays the tax thereon at the time of such purchase shall be entitled to a refund by the controller, upon voucher certified by the department of revenue of the amount of such tax paid by him or her upon complying with the applicable conditions and provisions of this section, if the gasoline or special fuel is used for the purpose of: any commercial use other than the operation of a vehicle upon state highways.	2029	Discretionary	TBD	May Re-Review	39-27-105(3)(a)(H)	N/A	2/29/2024 7/1/2019	2024-TE2 2019-TE23	\$4.4 million for all exemptions in report	None
Tax Credit for Freight Rail Use	The freight tax credit incentivizes taxpayers to incur costs in the use of freight rail transportation of freight that either originates or terminates at a business located in a coal transition community and on a rail line in this state that the department of transportation has determined is at risk of inactivity or abandonment due to a lack of demand resulting from coal transition (relevant costs). The Colorado office of economic development (offed) administers the freight tax credit and may annually reserve up to \$5 million worth of tax credits on or after January 1, 2025, but prior to January 1, 2026. A taxpayer must apply to the office for the reservation of the freight tax credit. After the office reserves the freight tax credit for a taxpayer, the act establishes a refundable state income tax credit for active qualified stewardship practices on a farm or ranch for income tax years beginning on or after January 1, 2026, but before January 1, 2031. A qualified taxpayer may claim a state income tax credit equal to: At least \$5 and no more than \$75 per acre of land covered by one qualified stewardship practice, up to a maximum credit of \$100,000 in one income tax year. At least \$10 and no more than \$100 per acre of land covered by two qualified stewardship practices, up to a maximum credit of \$200,000 in one income tax year. At least \$15 and no more than \$150 per acre of land covered by at least three qualified stewardship practices, up to a maximum of \$300,000 in one income tax year.	2030	Required	N/A	Will Review - New Expenditure	39-22-560		12/31/2028		TBD	
Agricultural Stewardship Tax Credit	A qualified taxpayer may claim a state income tax credit equal to: At least \$5 and no more than \$75 per acre of land covered by one qualified stewardship practice, up to a maximum of \$100,000 in one income tax year. At least \$10 and no more than \$100 per acre of land covered by two qualified stewardship practices, up to a maximum of \$200,000 in one income tax year. At least \$15 and no more than \$150 per acre of land covered by at least three qualified stewardship practices, up to a maximum of \$300,000 in one income tax year.	2030	Required	N/A	Will Review - New Expenditure	39-22-561		1/1/2031		N/A	
Financial Incentives to Expand Apprenticeships	income tax credit for a taxpayer operating in a new and emerging industry and who has registered an apprenticeship program and received a certificate from the State Apprenticeship Agency (SAA) in CDE, or is an employer registered in the Colorado State Apprenticeship Resource Directory. The credit is equal to \$1,000 per apprentice that has worked at least six months for the taxpayer. The taxpayer may claim an additional \$1,000 per apprentice for each additional month of employment, up to \$12,000 per income tax year. The taxpayer may not claim more than ten apprentices per income tax year and cannot claim the same apprentice for more than two consecutive years. The credit is administered by the SAA, and the amount of credits they	2030	Required	N/A	Will Review - New Expenditure	39-22-562		1/1/2035		N/A	

Fixed capital assets investments tax credit	Applicants may receive the fixed capital assets investments tax credit if they invest in fixed capital (such as land, building, tangible personal property, or computer software) for the purpose of creating a shared quantum facility. The tax credit amount may be up to the amount of the qualified investment. Applicants may apply for a tax credit reservation from the Office of Economic Development and International Trade (ODEIT) and, if granted, receive a tax credit certificate when the project is placed in service. ODEIT may not issue more than \$44 million in reservations.	2030	Required	N/A	Will Review - New Expenditure	39-22-567	1/1/2033	N/A
Incentives for Post-Secondary Education	Refundable income tax credit to a student enrolled in at a public state institution of higher education, community college, area technical school or occupational education school. The credit is equal to the tuition and fee paid by the eligible student to the institution minus any scholarships or grants.	2030	Required	N/A	Will Review - New Expenditure	39-22-570	1/1/2033	N/A
AmeriCorps Education Award Tax Deduction	Creates an income tax subtraction (deduction) for income tax years 2026 to 2033 for the amount of any legal AmeriCorps Education Award received by a taxpayer for service in the AmeriCorps national service program, which is used by the taxpayer during the income tax year.	2031	Required	N/A	Will Review - New Expenditure	39-22-1064(c)(3)(i)	1/1/2034	N/A
Tax credit for assistance for individuals with a disability	Qualified individuals with a disability for tax years commencing on or after January 1, 2025, are allowed a refundable income tax credit. Eligibility with respect to disability mirrors the eligibility as it exists under current law for the PTC. The income tax credit is allowed in an amount ranging from \$400 to \$1,200, depending on the individual's adjusted gross income, adjusted annually for inflation.	2031	Required	N/A	Will Review - New Expenditure	39-31-104.5	N/A	N/A
Opportunity Now Tax Credit	Income tax credit for expenses for facility improvement and equipment acquisition costs associated with training programs designed to alleviate worker shortages. Applicants must apply for a tax credit reservation from ODEIT, and, once the investment costs are incurred, submit evidence of compliance and certification of expenditures to receive a tax credit certificate. The tax credit is equal to 50 percent or less of the qualified investment, and the total amount of tax credit reservations cannot exceed \$15 million per year, beginning in tax year 2026, if either the Office of State Planning and Budgeting or Legislative Council Staff forecast in the preceding September expects that revenue subject to TABS will not increase by more	2031	Required	N/A	Will Review - New Expenditure	39-22-565	1/1/2033	N/A
Quantum business loan loss reserve income tax credit	Applicants may apply for a tax credit certificate and request that the loan be registered with ODEIT before the loan has incurred any losses. The amount of tax credit certificate can be up to 55 percent of the size of the loan, but being issued a tax credit certificate is not sufficient to claim the tax credit. ODEIT may charge an issuance fee of up to 8 percent of the size of the tax credit certificate. Revenue from the fee is deposited into the newly created Quantum Business Loan Loss Reserve cash fund, which is continuously appropriated to the office to administer the tax credit. ODEIT may not issue more than \$30 million in tax credit certificates.	2031	Required	N/A	Will Review - New Expenditure	39-22-568	1/1/2046	N/A
Community Revitalization Tax Credit for Creative Industries	The act creates a new community revitalization income tax credit (credit), for income tax years commencing on or after January 1, 2026, but before January 1, 2033, in an amount equal to 20% of the amount of eligible expenditures made by a qualified applicant in completing an eligible project, except that the office may reduce the credit percentage for reservations for credits made in any income tax year, and the maximum amount of the credit for a single project is \$3 million. In addition, the maximum amount of credits that may be reserved during any calendar year is \$10 million. An eligible project is a capital improvement project within a creative district, a historic district, or a neighborhood commercial center or a main street that involves the construction,	2031	Required	N/A	Will Review - New Expenditure	39-22-569	1/1/2033	N/A
New Railroad Operator Tax Credit	The operator tax credit incentivizes railroad operators to maintain rail line access to coal transition communities. For income tax years 2027 through 2037, a common carrier engaged in the transportation of freight on a rail line designated by the department of transportation (department) as a "qualified rail line" is allowed a credit in an amount stated in a tax credit certificate issued by the department. The amount on a tax credit certificate must not exceed 70% of the direct operating and capital improvements necessary to maintain or improve a qualified rail line as stated in the taxpayer's tax credit application and incurred by the taxpayer. The department is required to designate a rail line as a qualified rail line if the department determines that the rail line is at	2032	Required	N/A	Will Review - New Expenditure	39-22-561	1/1/2038	TBD