

CHAPTER 12

TAXATION

HOUSE BILL 10-1196

BY REPRESENTATIVE(S) Ferrandino, Benefield, Judd, Labuda, Weissmann;
also SENATOR(S) Heath.

AN ACT**CONCERNING THE DISQUALIFICATION OF CATEGORY 7 MOTOR VEHICLES FROM THE STATE INCOME
TAX CREDIT FOR THE PURCHASE OF VEHICLES USING ALTERNATIVE FUELS.**

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

SECTION 1. 39-22-516 (2.6) (b), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

39-22-516. Tax credit for purchase of vehicles using alternative fuels - repeal. (2.6) (b) (III) THERE SHALL BE ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE, NOT TO EXCEED SIX THOUSAND DOLLARS, FOR EACH CATEGORY 7 VEHICLE PURCHASED BY SUCH PERSON ON OR AFTER JANUARY 1, 2010, BUT BEFORE JANUARY 1, 2011.

SECTION 2. 39-22-516 (2.6) (d) (I), Colorado Revised Statutes, is amended, and the said 39-22-516 (2.6) (d) is further amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

39-22-516. Tax credit for purchase of vehicles using alternative fuels - repeal. (2.6) (d) (I) Except as provided in subparagraph (II) of this paragraph (d), for the purposes of paragraph (c) of this subsection (2.6), the percentage of the difference in actual cost incurred or the percentage of the actual cost incurred that may be claimed as a credit pursuant to paragraph (b) of this subsection (2.6) shall be as follows:

Category: **Income tax years commencing on or after
January 1, 2010, but prior to January 1, 2012:**

Category 1 85%

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

Category 2	65%
Category 3	75%
Category 4	75%
Category 5	25%
Category 6	75%
Category 7	50%

(III) FOR THE PURPOSES OF PARAGRAPH (c) OF THIS SUBSECTION (2.6), THE PERCENTAGE OF THE DIFFERENCE IN ACTUAL COST INCURRED OR THE PERCENTAGE OF THE ACTUAL COST INCURRED THAT MAY BE CLAIMED AS A CREDIT FOR THE PURCHASE OF A CATEGORY 7 MOTOR VEHICLE PURSUANT TO SUBPARAGRAPH (III) OF PARAGRAPH (b) OF THIS SUBSECTION (2.6) SHALL BE FIFTY PERCENT.

SECTION 3. Part 1 of article 21 of title 39, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

39-21-122. Revenue impact of 2010 tax legislation - tracking by department.

THE DEPARTMENT OF REVENUE SHALL ACCOUNT FOR ALL REVENUE ATTRIBUTABLE TO THE ENACTMENT OF HOUSE BILL 10-1196, ENACTED IN 2010, AND SHALL, TO THE EXTENT SUCH INFORMATION IS AVAILABLE, MAKE QUARTERLY REPORTS TO THE GENERAL ASSEMBLY REGARDING THE QUARTERLY AND CUMULATIVE NET REVENUE GAIN TO THE STATE RESULTING FROM THE ENACTMENT OF SAID BILL.

SECTION 4. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: February 24, 2010