

CHAPTER 321

TAXATION

HOUSE BILL 10-1200

BY REPRESENTATIVE(S) Hullinghorst, Frangas, Judd, Kagan, Labuda, Pommer;
also SENATOR(S) Heath.

AN ACT

CONCERNING A TEMPORARY REQUIREMENT THAT A TAXPAYER DEFER CLAIMING ANY AMOUNT OF AN ENTERPRISE ZONE INVESTMENT INCOME TAX CREDIT THAT EXCEEDS FIVE HUNDRED THOUSAND DOLLARS.

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

SECTION 1. 39-30-104 (2) and (2.5), Colorado Revised Statutes, are amended to read:

39-30-104. Credit against tax - investment in certain property - repeal.
(2) (a) The amount of the credit set forth in subsection (1) of this section shall be subject to the limitations of section 39-22-507.5; except that, in computing the limitations on credit pursuant to section 39-22-507.5 (3), a taxpayer's actual tax liability for the income tax year shall not be reduced by the amount of credits allowed by section 39-30-105 and the limit on that portion of a taxpayer's tax liability that exceeds five thousand dollars shall be fifty percent.

(b) IN ADDITION TO THE LIMITATIONS SET FORTH IN PARAGRAPH (a) OF THIS SUBSECTION (2), FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2011, BUT PRIOR TO JANUARY 1, 2014, ANY TAXPAYER THAT IS ELIGIBLE TO CLAIM A CREDIT PURSUANT TO SUBSECTION (1) OF THIS SECTION IN EXCESS OF FIVE HUNDRED THOUSAND DOLLARS SHALL DEFER CLAIMING ANY AMOUNT OF THE CREDIT ALLOWED PURSUANT TO THIS SECTION THAT EXCEEDS FIVE HUNDRED THOUSAND DOLLARS UNTIL AN INCOME TAX YEAR COMMENCING ON OR AFTER JANUARY 1, 2014. THE FIVE HUNDRED THOUSAND DOLLAR LIMITATION SPECIFIED IN THIS PARAGRAPH (b) SHALL APPLY TO ANY CREDIT ALLOWED IN THE CURRENT YEAR INCLUDING ANY AMOUNT CARRIED FORWARD FROM A PRIOR YEAR.

(2.5) (a) Notwithstanding the provisions of section 39-22-507.5 (7) (b), AND

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

EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (2.5), any excess credit claimed pursuant to this section shall be an investment tax credit carryover to each of the twelve income tax years following the unused credit year.

(b) A TAXPAYER THAT DEFERRED CLAIMING ANY CREDIT IN EXCESS OF FIVE HUNDRED THOUSAND DOLLARS DURING AN INCOME TAX YEAR COMMENCING ON OR AFTER JANUARY 1, 2011, BUT PRIOR TO JANUARY 1, 2014, PURSUANT TO PARAGRAPH (b) OF SUBSECTION (2) OF THIS SECTION SHALL BE ALLOWED TO CLAIM THE DEFERRED CREDIT AS AN INVESTMENT TAX CREDIT CARRYOVER FOR TWELVE INCOME TAX YEARS FOLLOWING THE YEAR THE CREDIT WAS ORIGINALLY ALLOWED PLUS ONE ADDITIONAL INCOME TAX YEAR FOR EACH INCOME TAX YEAR THAT THE CREDIT WAS DEFERRED PURSUANT TO PARAGRAPH (b) OF SUBSECTION (2) OF THIS SECTION.

SECTION 2. 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: May 27, 2010