SB280_L.012

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

SB23-280 be amended as follows:

Amend reengrossed bill, page 7, strike lines 9 and 10 and substitute "REVENUE FOR ADMINISTERING THE TAX CREDITS CREATED IN SECTIONS 39-22-516.8 (2.7), (3.7), AND (9.7);".

Page 23, strike lines 6 through 27.

Strike pages 24 through 32.

Page 33, strike lines 1 through 6 and substitute:

"**SECTION 9.** In Colorado Revised Statutes, 39-22-516.8, **amend** (1)(a)(I), (1)(a)(III)(G), (1)(f), (1)(g), (1)(r.5), (1)(ee)(II) introductory portion, (12), and (15); and **add** (1)(bb.7), (2.7), (3.7), and (9.7) as follows:

39-22-516.8. Tax credit for innovative trucks - definitions - repeal. (1) As used in this section, unless the context otherwise requires:

(a) (I) "Actual cost incurred" means the actual cost paid by the purchaser ~~for a new or used truck or clean fuel refrigerated trailer, conversion of a truck or clean fuel refrigerated trailer, idling reduction technologies, or aerodynamic technologies,~~ minus any credits, grants, or rebates, including federal credits, grants, or rebates for which the purchaser is eligible, but excluding the credit specified in this section AND ANY INCENTIVE PROVIDED BY THE CLEAN FLEET ENTERPRISE AS ALLOWED IN SECTION 25-7.5-103 (3).

(II) For purposes of a lease, "actual cost incurred" means the total of payments contracted in the lease for the truck minus:

(G) Any credits, grants, or rebates, including federal credits, grants, or rebates for which the lessee or lessor is eligible, but excluding the credit specified in this section AND ANY INCENTIVE PROVIDED BY THE CLEAN FLEET ENTERPRISE AS ALLOWED IN SECTION 25-7.5-103 (3).

(f) "Category 4" means AN original equipment manufacturer ~~trucks that are~~ TRUCK THAT IS equipped to operate on ~~compressed natural gas or on liquefied petroleum gas. For purposes of this paragraph (f), "operate on compressed natural gas or on liquefied petroleum gas" means~~ A RENEWABLE FUEL, INCLUDING a truck that operates exclusively on ~~compressed natural gas or on liquefied petroleum gas~~ A RENEWABLE FUEL, or a bi-fuel truck with a multi-fuel engine capable of running on either ~~compressed natural gas~~ RENEWABLE FUEL or traditional fuel. ~~or on either liquefied petroleum gas or traditional fuel, or a dual-fuel truck with a multi-fuel engine capable of running on both compressed natural gas and~~

~~traditional fuel, or on both liquefied petroleum gas and traditional fuel.~~

(g) "Category 4 A" means ~~compressed natural gas or liquefied petroleum gas~~ RENEWABLE FUEL conversions certified by the United States environmental protection agency ~~For purposes of this paragraph (g), "compressed natural gas or liquefied petroleum gas conversions" means~~ INCLUDING a conversion to a truck that operates exclusively on ~~compressed natural gas or on liquefied petroleum gas~~ RENEWABLE FUEL, or a bi-fuel truck with a multi-fuel engine capable of running on either ~~compressed natural gas~~ RENEWABLE FUEL or traditional fuel. ~~or on either liquefied petroleum gas or traditional fuel, or a dual-fuel truck with a multi-fuel engine capable of running on both compressed natural gas and traditional fuel, or on both liquefied petroleum gas and traditional fuel.~~

(r.5) "Financing entity" means the entity that finances the purchase or lease of a ~~category 4, category 4 A, category 4 B, category 4 C, category 7, category 7 A, or category 9~~ vehicle eligible for a credit allowed by this section.

(bb.7) "RENEWABLE FUEL" MEANS:

(I) COMPRESSED NATURAL GAS, LIQUEFIED NATURAL GAS, OR LIQUEFIED PETROLEUM GAS FROM A PRODUCTION SOURCE THAT IS ELIGIBLE FOR A RENEWABLE IDENTIFICATION NUMBER PURSUANT TO THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY'S RENEWABLE FUEL STANDARDS PROGRAM ESTABLISHED UNDER 40 C.F.R. PART 80 SUBPART M, AS AMENDED; OR

(II) RECOVERED METHANE, AS DEFINED IN SECTION 25-7.5-102 (20).

(ee) (II) "Truck", for tax years commencing on or after January 1, 2017, has the same meaning as in section 42-1-102 (108), ~~C.R.S.,~~ and includes ~~a hybrid truck,~~ a light-duty passenger motor vehicle, and a bus, has a maximum speed capability of at least fifty-five miles per hour, is licensed or subject to licensing for operation upon the highways of the state, is new, not used, unless the truck is being converted, and is either:

(2.7) **Category 4 lease or purchase.** (a) (I) WITH RESPECT TO INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, FOR EACH PURCHASE OR LEASE OF A CATEGORY 4 LIGHT-DUTY TRUCK SOLD OR LEASED DURING THE TAX YEAR, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT AS FOLLOWS:

(A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2026, THREE THOUSAND FIVE HUNDRED DOLLARS; AND

(B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2026, BUT BEFORE JANUARY 1, 2029, ONE THOUSAND FIVE HUNDRED DOLLARS;

(II) WITH RESPECT TO INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, FOR EACH PURCHASE OR LEASE OF A CATEGORY 4 MEDIUM-DUTY TRUCK SOLD OR LEASED DURING THE TAX YEAR, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT AS FOLLOWS:

(A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2026, SEVEN THOUSAND DOLLARS; AND

(B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2026, BUT BEFORE JANUARY 1, 2029, FOUR THOUSAND FIVE HUNDRED DOLLARS; AND

(III) WITH RESPECT TO INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, FOR EACH PURCHASE OR LEASE OF A CATEGORY 4 HEAVY-DUTY TRUCK SOLD OR LEASED DURING THE TAX YEAR, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT AS FOLLOWS:

(A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2026, TWELVE THOUSAND DOLLARS; AND

(B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2026, BUT BEFORE JANUARY 1, 2029, EIGHT THOUSAND DOLLARS.

(3.7) **Category 4 A conversion.** (a) (I) WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE IN AN AMOUNT EQUAL TO THE ACTUAL COST INCURRED BY THE TAXPAYER DURING THE TAX YEAR FOR THE CONVERSION OF A LIGHT-DUTY TRADITIONAL FUEL TRUCK TO A CATEGORY 4 A LIGHT-DUTY TRUCK, NOT TO EXCEED:

(A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2026, THREE THOUSAND FIVE HUNDRED DOLLARS; AND

(B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2026, BUT BEFORE JANUARY 1, 2029, ONE THOUSAND FIVE HUNDRED DOLLARS;

(II) WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE IN AN AMOUNT EQUAL TO THE ACTUAL COST INCURRED BY THE TAXPAYER DURING THE TAX YEAR FOR THE CONVERSION OF A MEDIUM-DUTY TRADITIONAL FUEL TRUCK TO A CATEGORY 4 A MEDIUM-DUTY TRUCK, NOT TO EXCEED:

(A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY

1, 2024, BUT BEFORE JANUARY 1, 2026, SEVEN THOUSAND DOLLARS; AND

(B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2026, BUT BEFORE JANUARY 1, 2029, FOUR THOUSAND FIVE HUNDRED DOLLARS; AND

(III) WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE IN AN AMOUNT EQUAL TO THE ACTUAL COST INCURRED BY THE TAXPAYER DURING THE TAX YEAR FOR THE CONVERSION OF A HEAVY-DUTY TRADITIONAL FUEL TRUCK TO A CATEGORY 4 A HEAVY-DUTY TRUCK, NOT TO EXCEED:

(A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2026, TWELVE THOUSAND DOLLARS; AND

(A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2026, BUT BEFORE JANUARY 1, 2029, EIGHT THOUSAND DOLLARS.

(9.7) **Category 7 A conversion.** (a) (I) WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE IN AN AMOUNT EQUAL TO THE ACTUAL COST INCURRED BY THE TAXPAYER DURING THE TAX YEAR FOR THE CONVERSION OF A LIGHT-DUTY TRADITIONAL FUEL TRUCK TO A CATEGORY 7 A LIGHT-DUTY TRUCK, NOT TO EXCEED:

(A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2026, THREE THOUSAND FIVE HUNDRED DOLLARS; AND

(B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2026, BUT BEFORE JANUARY 1, 2029, ONE THOUSAND FIVE HUNDRED DOLLARS;

(II) WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, THERE IS ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE IN AN AMOUNT EQUAL TO THE ACTUAL COST INCURRED BY THE TAXPAYER DURING THE TAX YEAR FOR THE CONVERSION OF A MEDIUM-DUTY TRADITIONAL FUEL TRUCK TO A CATEGORY 7 A MEDIUM-DUTY TRUCK, NOT TO EXCEED:

(A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2026, SEVEN THOUSAND DOLLARS; AND

(B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2026, BUT BEFORE JANUARY 1, 2029, FOUR THOUSAND FIVE HUNDRED DOLLARS; AND

(III) WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, THERE IS

ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE IN AN AMOUNT EQUAL TO THE ACTUAL COST INCURRED BY THE TAXPAYER DURING THE TAX YEAR FOR THE CONVERSION OF A HEAVY-DUTY TRADITIONAL FUEL TRUCK TO A CATEGORY 7 A HEAVY-DUTY TRUCK, NOT TO EXCEED:

(A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2026, TWELVE THOUSAND DOLLARS; AND

(B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2026, BUT BEFORE JANUARY 1, 2029, EIGHT THOUSAND DOLLARS.

(12) (a) A taxpayer claiming the credit authorized by this section shall not claim the credit in an amount that exceeds the incremental cost of the actual cost incurred for ~~the category 4, 4 A, 4 B, 4 C, 7, or 7 A~~ a CATEGORY 4 OR 7 truck or motor vehicle over the manufacturer's suggested retail price of a comparable traditional fuel truck or light-duty passenger motor vehicle.

(b) (I) FOR TAX YEARS BEGINNING ON OR AFTER JANUARY 1, 2024, THE CREDIT ALLOWED BY SUBSECTION (2.7) OF THIS SECTION FOR A CATEGORY 4 TRUCK AND THE CREDIT ALLOWED BY SUBSECTION (3.7) OF THIS SECTION FOR A CATEGORY 4 A TRUCK ARE SUBJECT TO RECAPTURE IN THE TAX YEAR OF PURCHASE OR CONVERSION, OR ANY OF THE FOLLOWING FOUR TAX YEARS OR UNTIL THE CATEGORY 4 OR 4 A TRUCK IS SOLD, IF THE RENEWABLE FUEL ENERGY AND ANY ELECTRICITY OR HYDROGEN USED BY THE PURCHASER TO POWER THE TRUCK COMPRISES LESS THAN EIGHTY PERCENT OF THE TOTAL ENERGY USED TO POWER THE TRUCK DURING THE TAX YEAR. IF A CREDIT IS RECAPTURED UNDER THIS SUBSECTION (12)(b)(I), THE PURCHASER SHALL ADD THE FULL NOMINAL AMOUNT OF THE CREDIT ALLOWED UNDER SUBSECTION (2.7) OR (3.7) OF THIS SECTION FOR THE TAX YEAR OF THE PURCHASE OR CONVERSION TO THE PURCHASER'S RETURN FOR THE RECAPTURE YEAR REGARDLESS OF WHETHER THE CREDIT WAS ASSIGNED PURSUANT TO SUBSECTION (13.7) OF THIS SECTION.

(II) FOR TAX YEARS BEGINNING ON OR AFTER JANUARY 1, 2024, THE CREDIT ALLOWED BY SUBSECTION (9.7) OF THIS SECTION FOR A CATEGORY 7 A TRUCK IS SUBJECT TO RECAPTURE IN THE TAX YEAR OF CONVERSION, OR ANY OF THE FOLLOWING FOUR TAX YEARS OR UNTIL THE CATEGORY 7 A TRUCK IS SOLD, IF THE ELECTRIC ENERGY AND ANY RENEWABLE FUEL OR HYDROGEN USED BY THE PURCHASER TO POWER THE TRUCK COMPRISES LESS THAN EIGHTY PERCENT OF THE TOTAL ENERGY USED TO POWER THE TRUCK DURING THE TAX YEAR. IF A CREDIT IS RECAPTURED UNDER THIS SUBSECTION (12)(b)(II), THE PURCHASER SHALL ADD THE FULL NOMINAL AMOUNT OF THE CREDIT ALLOWED UNDER SUBSECTION (9.7) OF THIS SECTION FOR THE TAX YEAR OF THE

CONVERSION TO THE PURCHASER'S RETURN FOR THE RECAPTURE YEAR.

(15) No more than one tax credit shall be granted pursuant to this section and ~~sections 39-22-516.5 and~~ SECTION 39-22-516.7 for any individual motor vehicle or truck.

SECTION 10. In Colorado Revised Statutes, 39-22-516.8, **amend as added by House Bill 23-1272** (1.5)(a), (13.7)(a) introductory portion, and (13.7)(e) as follows:

39-22-516.8. Tax credit for innovative trucks - definitions - repeal. (1.5) (a) In accordance with section 39-21-304 (1), which requires each bill that extends an expiring tax expenditure to include a tax preference performance statement as part of a statutory legislative declaration, the general assembly finds and declares that the purpose of the tax credit provided in this section is to induce certain designated behavior by ~~taxpayers, specifically the sale and purchase or lease of electric medium-duty, or heavy-duty trucks,~~ TAXPAYERS by providing a reduction in income tax liability to the purchaser or lessee or to a financing entity OR MOTOR VEHICLE DEALER in connection with the sale and purchase or lease of an electric light-duty, medium-duty, or heavy-duty truck, OR THE SALE, LEASE, OR CONVERSION OF CLEAN TRUCKS.

(13.7) (a) A purchaser may assign the tax credit allowed in this section for the purchase or lease of a CATEGORY 4, CATEGORY 4A, category 7, OR CATEGORY 7A vehicle sold or leased on or after January 1, 2024, to a financing entity or to a motor vehicle dealer as follows:

(e) For the purchase or lease of a CATEGORY 4, CATEGORY 4A, category 7, OR CATEGORY 7A vehicle completed on or after January 1, 2024, the financing entity or the motor vehicle dealer shall electronically submit a report containing the information contained in the election statement described in subsection (13.7)(c) of this section to the department on a quarterly basis in a form and manner required by the department.

SECTION 11. In Colorado Revised Statutes, 39-22-516.8, **amend** (13.5)(a) introductory portion and (18); and **add** (1)(bb.1), (1)(q.5), (1.5), (13.5)(h), and (13.7) as follows:

39-22-516.8. Tax credit for innovative trucks - definitions - repeal. (1) As used in this section, unless the context otherwise requires:

(bb.1) "MOTOR VEHICLE DEALER" HAS THE SAME MEANING AS SET FORTH IN SECTION 44-20-102 (18).

(q.5) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

(1.5) (a) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL THAT EXTENDS AN EXPIRING TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS

AND DECLARES THAT THE PURPOSE OF THE TAX CREDIT PROVIDED IN THIS SECTION IS TO INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS, BY PROVIDING A REDUCTION IN INCOME TAX LIABILITY TO THE PURCHASER OR LESSEE OR TO A FINANCING ENTITY OR MOTOR VEHICLE IN CONNECTION WITH THE SALE, LEASE, OR CONVERSION OF CLEAN TRUCKS.

(b) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL MEASURE THE EFFECTIVENESS OF THE CREDIT IN ACHIEVING THE PURPOSE SPECIFIED IN SUBSECTION (1.5)(a) OF THIS SECTION BASED ON THE NUMBER AND VALUE OF CREDITS CLAIMED.

(13.5) (a) A purchaser may assign the tax credit allowed in this section for the purchase or lease of a category 4, category 4 A, category 4 B, category 4 C, category 7, category 7 A, or category 9 vehicle completed on or after January 1, 2017, BUT BEFORE JANUARY 1, 2024, to a financing entity as follows:

(h) THIS SUBSECTION (13.5) IS REPEALED, EFFECTIVE DECEMBER 31, 2028.

(13.7) (a) A PURCHASER MAY ASSIGN THE TAX CREDIT ALLOWED IN SUBSECTIONS (2.7), (3.7), AND (9.7) OF THIS SECTION FOR THE PURCHASE OR LEASE OF A CATEGORY 4, CATEGORY 4A, OR CATEGORY 7A VEHICLE MADE AND DELIVERED ON OR AFTER JANUARY 1, 2024, TO A FINANCING ENTITY OR TO A MOTOR VEHICLE DEALER AS FOLLOWS:

(I) THE ASSIGNMENT TO THE FINANCING ENTITY OR THE MOTOR VEHICLE DEALER MUST BE COMPLETED AT THE TIME OF PURCHASE OR LEASE BY ENTERING INTO AN ELECTION STATEMENT AS SET FORTH IN SUBSECTION (13.7)(c) OF THIS SECTION;

(II) THE PURCHASER MUST TITLE AND REGISTER THE VEHICLE IN THE STATE OR REGISTER THE VEHICLE UNDER THE INTERNATIONAL REGISTRATION PLAN AND BASE PLATE THE VEHICLE IN THE STATE AS REQUIRED BY STATE LAW;

(III) THE PURCHASER MUST ASSIGN THE TAX CREDIT TO THE FINANCING ENTITY OR THE MOTOR VEHICLE DEALER AND FORFEIT THE RIGHT TO CLAIM THE TAX CREDIT ON THE PURCHASER'S TAX RETURN IN EXCHANGE FOR THE GOOD AND VALUABLE CONSIDERATION; AND

(IV) THE FINANCING ENTITY OR THE MOTOR VEHICLE DEALER SHALL COMPENSATE THE PURCHASER FOR THE FULL NOMINAL VALUE OF THE TAX CREDIT; EXCEPT THAT THE FINANCING ENTITY OR THE MOTOR VEHICLE DEALER MAY COLLECT AN ADMINISTRATIVE FEE NOT TO EXCEED TWO HUNDRED FIFTY DOLLARS FOR PROCESSING THE ASSIGNMENT. THE COMPENSATION PAID TO THE PURCHASER IS CONSIDERED A REFUND OF STATE TAXES AND IS NOT INCOME.

(b) NOTWITHSTANDING SECTION 39-21-108 (3), IF A PURCHASER ASSIGNS THE TAX CREDIT TO A FINANCING ENTITY OR TO A MOTOR VEHICLE DEALER PURSUANT TO THIS SUBSECTION (13.7), THE FINANCING ENTITY OR

THE MOTOR VEHICLE DEALER RECEIVES THE FULL AMOUNT OF THE TAX CREDIT THAT THE PURCHASER IS ALLOWED IN THIS SECTION. ANY UNPAID BALANCE OR UNPAID DEBT OF THE PURCHASER MAY NOT BE CREDITED FROM THE AMOUNT OF THE TAX CREDIT ALLOWED IN THIS SECTION.

(c) TO COMPLETE THE TAX CREDIT ASSIGNMENT, THE PURCHASER AND THE FINANCING ENTITY OR THE MOTOR VEHICLE DEALER SHALL ENTER INTO AN ELECTION STATEMENT THAT:

(I) IDENTIFIES THE VEHICLE IDENTIFICATION NUMBER OF THE CATEGORY 7 VEHICLE FOR WHICH A CREDIT IS ALLOWED IN THIS SECTION;

(II) SPECIFIES THE VALUE OF THE CREDIT ALLOWED; AND

(III) AFFIRMS THAT THE REQUIREMENTS SPECIFIED IN SUBSECTION (13.7)(a) OF THIS SECTION WERE MET.

(d) THE FINANCING ENTITY OR THE MOTOR VEHICLE DEALER MAY AUTHORIZE AN AGENT OR A DESIGNEE TO SIGN THE ELECTION STATEMENT ON ITS BEHALF.

(e) FOR THE PURCHASE OR LEASE OF A CATEGORY 4, CATEGORY 4A, OR CATEGORY 7A VEHICLE COMPLETED ON OR AFTER JANUARY 1, 2024, THE FINANCING ENTITY OR THE MOTOR VEHICLE DEALER SHALL ELECTRONICALLY SUBMIT A REPORT CONTAINING THE INFORMATION CONTAINED IN THE ELECTION STATEMENT DESCRIBED IN SUBSECTION (13.7)(c) OF THIS SECTION TO THE DEPARTMENT ON A QUARTERLY BASIS IN A FORM AND MANNER REQUIRED BY THE DEPARTMENT.

(f) THE FINANCING ENTITY OR THE MOTOR VEHICLE DEALER SHALL MAINTAIN THE ELECTION STATEMENT DESCRIBED IN SUBSECTION (13.7)(c) OF THIS SECTION AND PRODUCE IT UPON REQUEST OR AUDIT BY THE DEPARTMENT.

(g) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2025, THE FINANCING ENTITY OR MOTOR VEHICLE DEALER MAY ELECT ADVANCE PAYMENTS OF CREDITS ASSIGNED UNDER THIS SUBSECTION (13.7) AS SPECIFIED IN SECTION 39-22-629.

(18) This section is repealed, effective ~~December 31, 2030~~ DECEMBER 31, 2037.

SECTION 12. In Colorado Revised Statutes, 39-22-516.8, **repeal** (1)(b), (1)(c), (1)(d), (1)(h), (1)(i), (1)(j), (1)(k), (1)(n), (1)(o), (1)(p), (1)(q), (1)(u), (1)(v), (1)(w), (1)(dd), (2), (2.3), (2.5), (3), (3.5), (4), (4.3), (4.5), (5), (5.5), (6), (7), (8), (9), (9.5), (10), (11), (11.5), (11.6), and (14).".

SECTION 13. In Colorado Revised Statutes, **add** 39-22-629 as follows:

39-22-629. Advance payments of income tax credits - definitions. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "APPLICABLE CREDIT" MEANS THE CREDIT ALLOWED IN

SECTION 39-22-516.8.

(b) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

(c) "TAXPAYER" MEANS THE PERSON AUTHORIZED TO ELECT ADVANCE PAYMENTS OF AN APPLICABLE CREDIT.

(2) A TAXPAYER MAY ELECT TO RECEIVE ADVANCE PAYMENTS FOR APPLICABLE CREDITS AS FOLLOWS:

(a) THE TAXPAYER SHALL ANNUALLY REGISTER WITH THE DEPARTMENT FOR ADVANCE PAYMENTS OF ONE OR MORE APPLICABLE CREDITS NO LATER THAN THIRTY DAYS BEFORE THE DUE DATE OF THE FIRST QUARTERLY REPORT FILED BY THE TAXPAYER UNDER SUBSECTION (2)(b) OF THIS SECTION, IN A FORM AND MANNER PRESCRIBED BY THE DEPARTMENT; AND

(b) (I) THE TAXPAYER SHALL ELECTRONICALLY FILE QUARTERLY REPORTS IN A FORM AND MANNER PRESCRIBED BY THE DEPARTMENT NO LATER THAN APRIL 15, JUNE 15, SEPTEMBER 15, AND DECEMBER 15 OF EACH TAX YEAR FOR WHICH THE TAXPAYER REGISTERS FOR ADVANCE PAYMENTS; EXCEPT THAT:

(A) FOR A TAXPAYER WITH A TAXABLE YEAR BEGINNING ON ANY DATE OTHER THAN JANUARY 1, THE CORRESPONDING MONTHS SHALL BE SUBSTITUTED FOR THE MONTHS SPECIFIED IN SUBSECTION (2)(b)(I) OF THIS SECTION.

(B) FOR A TAXPAYER WITH A TAXABLE YEAR LESS THAN TWELVE MONTHS, THE DUE DATES SHALL BE DETERMINED IN ACCORDANCE WITH RULES PRESCRIBED BY THE DEPARTMENT.

(II) THE QUARTERLY REPORT MUST INCLUDE THE CUMULATIVE TOTAL OF APPLICABLE CREDIT THAT THE TAXPAYER IS SEEKING ADVANCE PAYMENT FOR IN THE QUARTER AND ANY INFORMATION REQUIRED TO BE INCLUDED IN THE QUARTERLY REPORT AS SPECIFIED IN THE STATUTE UNDER WHICH THE APPLICABLE CREDIT IS ALLOWED.

(3) AFTER RECEIPT OF A COMPLETED QUARTERLY REPORT, THE DEPARTMENT SHALL MAKE AN ADVANCE PAYMENT OF THE APPLICABLE CREDIT TO THE TAXPAYER IN THE FORM OF A REFUND OF THE TAXPAYER'S OVERPAYMENT OF TAX IMPOSED UNDER THIS ARTICLE 22; EXCEPT THAT THE ADVANCE PAYMENT DOES NOT ACCRUE INTEREST PURSUANT TO SECTION 39-21-108 (2) BUT IS SUBJECT TO INTERCEPT FOR THE TAXPAYER'S UNPAID BALANCE OR UNPAID DEBTS, IF ANY, PURSUANT TO SECTION 39-21-108 (3).

(4) THE TAXPAYER SHALL REDUCE THE AMOUNT OF AN APPLICABLE CREDIT CLAIMED BY THE TAXPAYER FOR ANY TAXABLE YEAR BY THE AGGREGATE AMOUNT OF ADVANCE PAYMENTS THAT THE TAXPAYER CLAIMED FOR THE APPLICABLE CREDIT DURING THE TAXABLE YEAR, AND:

(a) IF THE AGGREGATE AMOUNT OF ADVANCE PAYMENTS CLAIMED FOR THE APPLICABLE TAX YEAR EXCEEDS THE AMOUNT OF THE CREDIT

ALLOWED TO THE TAXPAYER, THE AMOUNT OF THE EXCESS IS SUBJECT TO RECAPTURE; OR

(b) IF THE AGGREGATE AMOUNT OF ADVANCE PAYMENTS FOR THE APPLICABLE TAX YEAR IS LESS THAN THE AMOUNT OF THE CREDIT ALLOWED TO THE TAXPAYER, THE AMOUNT OF THE DIFFERENCE MAY BE CLAIMED BY THE TAXPAYER AS A CREDIT IN THE TAXABLE YEAR IN THE SAME MANNER AS THE APPLICABLE CREDIT.

(5) IN THE CASE OF A PARTNERSHIP OR S CORPORATION ELECTING ADVANCE PAYMENTS UNDER THIS SECTION, THE PARTNERSHIP OR S CORPORATION SHALL MAKE THE ELECTION AND THE DEPARTMENT SHALL MAKE THE ADVANCE PAYMENTS TO THE PARTNERSHIP OR S CORPORATION. IN THE EVENT OF AN EXCESS AMOUNT PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION, THE PARTNERSHIP OR S CORPORATION SHALL PAY THE AMOUNT OF THE EXCESS ON BEHALF OF THE PARTNERS OR SHAREHOLDERS. IN THE EVENT OF AN AMOUNT OF DIFFERENCE PURSUANT TO SUBSECTION (4)(b) OF THIS SECTION, THE DEPARTMENT SHALL REFUND THE AMOUNT OF THE DIFFERENCE TO THE PARTNERSHIP OR S CORPORATION.".

Renumber succeeding sections accordingly.

Page 46, line 18, strike "This" and substitute "(1) Except as provided in subsections (2) and (3) of this section, this".

Page 46, after line 26 insert:

"(2) Section 10 of this act takes effect only if House Bill 23-1272 becomes law, in which case section 10 of this act takes effect on the effective date of this act or House Bill 23-1272, whichever is later.

(3) Section 11 of this act takes effect only if House Bill 23-1272 does not become law.".

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