

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.

SB23-280 be amended as follows:

1 Amend reengrossed bill, page 7, strike lines 9 and 10 and substitute
2 "REVENUE FOR ADMINISTERING THE TAX CREDITS CREATED IN SECTIONS
3 39-22-516.8 (2.7), (3.7), AND (9.7);".

4 Page 23, strike lines 6 through 27.

5 Strike pages 24 through 32.

6 Page 33, strike lines 1 through 6 and substitute:

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

11 **39-22-516.8. Tax credit for innovative trucks - definitions -**
12 **repeal.** (1) As used in this section, unless the context otherwise requires:

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

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

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

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

1 ~~traditional fuel, or on both liquefied petroleum gas and traditional fuel.~~
2 (g) "Category 4 A" means ~~compressed natural gas or liquefied~~
3 ~~petroleum gas~~ RENEWABLE FUEL conversions certified by the United
4 States environmental protection agency ~~For purposes of this paragraph~~
5 ~~(g), "compressed natural gas or liquefied petroleum gas conversions"~~
6 ~~means~~ INCLUDING a conversion to a truck that operates exclusively on
7 ~~compressed natural gas or on liquefied petroleum gas~~ RENEWABLE FUEL,
8 or a bi-fuel truck with a multi-fuel engine capable of running on either
9 ~~compressed natural gas~~ RENEWABLE FUEL or traditional fuel. ~~or on either~~
10 ~~liquefied petroleum gas or traditional fuel, or a dual-fuel truck with a~~
11 ~~multi-fuel engine capable of running on both compressed natural gas and~~
12 ~~traditional fuel, or on both liquefied petroleum gas and traditional fuel.~~
13 (r.5) "Financing entity" means the entity that finances the
14 purchase or lease of a ~~category 4, category 4 A, category 4 B, category 4~~
15 ~~C, category 7, category 7 A, or category 9~~ vehicle eligible for a credit
16 allowed by this section.
17 (bb.7) "RENEWABLE FUEL" MEANS:
18 (I) COMPRESSED NATURAL GAS, LIQUEFIED NATURAL GAS, OR
19 LIQUEFIED PETROLEUM GAS FROM A PRODUCTION SOURCE THAT IS
20 ELIGIBLE FOR A RENEWABLE IDENTIFICATION NUMBER PURSUANT TO THE
21 UNITED STATES ENVIRONMENTAL PROTECTION AGENCY'S RENEWABLE
22 FUEL STANDARDS PROGRAM ESTABLISHED UNDER 40 C.F.R. PART 80
23 SUBPART M, AS AMENDED; OR
24 (II) RECOVERED METHANE, AS DEFINED IN SECTION 25-7.5-102
25 (20).
26 (ee) (II) "Truck", for tax years commencing on or after January 1,
27 2017, has the same meaning as in section 42-1-102 (108), ~~C.R.S.~~, and
28 includes ~~a hybrid truck~~, a light-duty passenger motor vehicle, and a bus,
29 has a maximum speed capability of at least fifty-five miles per hour, is
30 licensed or subject to licensing for operation upon the highways of the
31 state, is new, not used, unless the truck is being converted, and is either:
32 (2.7) **Category 4 lease or purchase.** (a) (I) WITH RESPECT TO
33 INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT
34 BEFORE JANUARY 1, 2029, FOR EACH PURCHASE OR LEASE OF A CATEGORY
35 4 LIGHT-DUTY TRUCK SOLD OR LEASED DURING THE TAX YEAR, THERE IS
36 ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS
37 ARTICLE 22 IN AN AMOUNT AS FOLLOWS:
38 (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
39 1, 2024, BUT BEFORE JANUARY 1, 2026, THREE THOUSAND FIVE HUNDRED
40 DOLLARS; AND
41 (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
42 1, 2026, BUT BEFORE JANUARY 1, 2029, ONE THOUSAND FIVE HUNDRED
43 DOLLARS;

1 (II) WITH RESPECT TO INCOME TAX YEARS COMMENCING ON OR
2 AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, FOR EACH
3 PURCHASE OR LEASE OF A CATEGORY 4 MEDIUM-DUTY TRUCK SOLD OR
4 LEASED DURING THE TAX YEAR, THERE IS ALLOWED TO ANY PERSON A
5 CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT AS
6 FOLLOWS:
7 (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
8 1, 2024, BUT BEFORE JANUARY 1, 2026, SEVEN THOUSAND DOLLARS; AND
9 (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
10 1, 2026, BUT BEFORE JANUARY 1, 2029, FOUR THOUSAND FIVE HUNDRED
11 DOLLARS; AND
12 (III) WITH RESPECT TO INCOME TAX YEARS COMMENCING ON OR
13 AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, FOR EACH
14 PURCHASE OR LEASE OF A CATEGORY 4 HEAVY-DUTY TRUCK SOLD OR
15 LEASED DURING THE TAX YEAR, THERE IS ALLOWED TO ANY PERSON A
16 CREDIT AGAINST THE TAX IMPOSED BY THIS ARTICLE 22 IN AN AMOUNT AS
17 FOLLOWS:
18 (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
19 1, 2024, BUT BEFORE JANUARY 1, 2026, TWELVE THOUSAND DOLLARS;
20 AND
21 (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
22 1, 2026, BUT BEFORE JANUARY 1, 2029, EIGHT THOUSAND DOLLARS.
23 (3.7) **Category 4 A conversion.** (a) (I) WITH RESPECT TO THE
24 INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT
25 BEFORE JANUARY 1, 2029, THERE IS ALLOWED TO ANY PERSON A CREDIT
26 AGAINST THE TAX IMPOSED BY THIS ARTICLE IN AN AMOUNT EQUAL TO THE
27 ACTUAL COST INCURRED BY THE TAXPAYER DURING THE TAX YEAR FOR
28 THE CONVERSION OF A LIGHT-DUTY TRADITIONAL FUEL TRUCK TO A
29 CATEGORY 4 A LIGHT-DUTY TRUCK, NOT TO EXCEED:
30 (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
31 1, 2024, BUT BEFORE JANUARY 1, 2026, THREE THOUSAND FIVE HUNDRED
32 DOLLARS; AND
33 (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
34 1, 2026, BUT BEFORE JANUARY 1, 2029, ONE THOUSAND FIVE HUNDRED
35 DOLLARS;
36 (II) WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON
37 OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, THERE IS
38 ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS
39 ARTICLE IN AN AMOUNT EQUAL TO THE ACTUAL COST INCURRED BY THE
40 TAXPAYER DURING THE TAX YEAR FOR THE CONVERSION OF A
41 MEDIUM-DUTY TRADITIONAL FUEL TRUCK TO A CATEGORY 4 A
42 MEDIUM-DUTY TRUCK, NOT TO EXCEED:
43 (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY

1 1, 2024, BUT BEFORE JANUARY 1, 2026, SEVEN THOUSAND DOLLARS; AND
2 (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
3 1, 2026, BUT BEFORE JANUARY 1, 2029, FOUR THOUSAND FIVE HUNDRED
4 DOLLARS; AND
5 (III) WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON
6 OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, THERE IS
7 ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS
8 ARTICLE IN AN AMOUNT EQUAL TO THE ACTUAL COST INCURRED BY THE
9 TAXPAYER DURING THE TAX YEAR FOR THE CONVERSION OF A
10 HEAVY-DUTY TRADITIONAL FUEL TRUCK TO A CATEGORY 4 A
11 HEAVY-DUTY TRUCK, NOT TO EXCEED:
12 (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
13 1, 2024, BUT BEFORE JANUARY 1, 2026, TWELVE THOUSAND DOLLARS;
14 AND
15 (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
16 1, 2026, BUT BEFORE JANUARY 1, 2029, EIGHT THOUSAND DOLLARS.
17 (9.7) **Category 7 A conversion.** (a) (I) WITH RESPECT TO THE
18 INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2024, BUT
19 BEFORE JANUARY 1, 2029, THERE IS ALLOWED TO ANY PERSON A CREDIT
20 AGAINST THE TAX IMPOSED BY THIS ARTICLE IN AN AMOUNT EQUAL TO THE
21 ACTUAL COST INCURRED BY THE TAXPAYER DURING THE TAX YEAR FOR
22 THE CONVERSION OF A LIGHT-DUTY TRADITIONAL FUEL TRUCK TO A
23 CATEGORY 7 A LIGHT-DUTY TRUCK, NOT TO EXCEED:
24 (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
25 1, 2024, BUT BEFORE JANUARY 1, 2026, THREE THOUSAND FIVE HUNDRED
26 DOLLARS; AND
27 (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
28 1, 2026, BUT BEFORE JANUARY 1, 2029, ONE THOUSAND FIVE HUNDRED
29 DOLLARS;
30 (II) WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON
31 OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, THERE IS
32 ALLOWED TO ANY PERSON A CREDIT AGAINST THE TAX IMPOSED BY THIS
33 ARTICLE IN AN AMOUNT EQUAL TO THE ACTUAL COST INCURRED BY THE
34 TAXPAYER DURING THE TAX YEAR FOR THE CONVERSION OF A
35 MEDIUM-DUTY TRADITIONAL FUEL TRUCK TO A CATEGORY 7 A
36 MEDIUM-DUTY TRUCK, NOT TO EXCEED:
37 (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
38 1, 2024, BUT BEFORE JANUARY 1, 2026, SEVEN THOUSAND DOLLARS; AND
39 (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
40 1, 2026, BUT BEFORE JANUARY 1, 2029, FOUR THOUSAND FIVE HUNDRED
41 DOLLARS; AND
42 (III) WITH RESPECT TO THE INCOME TAX YEARS COMMENCING ON
43 OR AFTER JANUARY 1, 2024, BUT BEFORE JANUARY 1, 2029, THERE IS

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

6 (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
7 1, 2024, BUT BEFORE JANUARY 1, 2026, TWELVE THOUSAND DOLLARS;
8 AND

9 (B) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
10 1, 2026, BUT BEFORE JANUARY 1, 2029, EIGHT THOUSAND DOLLARS.

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

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

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

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

2 (15) No more than one tax credit shall be granted pursuant to this

3 section and ~~sections 39-22-516.5 and~~ SECTION 39-22-516.7 for any

4 individual motor vehicle or truck.

5 **SECTION 10.** In Colorado Revised Statutes, 39-22-516.8,

6 **amend as added by House Bill 23-1272** (1.5)(a), (13.7)(a) introductory

7 portion, and (13.7)(e) as follows:

8 **39-22-516.8. Tax credit for innovative trucks - definitions -**

9 **repeal.** (1.5) (a) In accordance with section 39-21-304 (1), which

10 requires each bill that extends an expiring tax expenditure to include a tax

11 preference performance statement as part of a statutory legislative

12 declaration, the general assembly finds and declares that the purpose of

13 the tax credit provided in this section is to induce certain designated

14 behavior by ~~taxpayers, specifically the sale and purchase or lease of~~

15 ~~electric medium-duty, or heavy-duty trucks;~~ TAXPAYERS by providing a

16 reduction in income tax liability to the purchaser or lessee or to a

17 financing entity OR MOTOR VEHICLE DEALER in connection with the sale

18 and purchase or lease of an electric light-duty, medium-duty, or

19 heavy-duty truck, OR THE SALE, LEASE, OR CONVERSION OF CLEAN

20 TRUCKS.

21 (13.7) (a) A purchaser may assign the tax credit allowed in this

22 section for the purchase or lease of a CATEGORY 4, CATEGORY 4A,

23 category 7, OR CATEGORY 7A vehicle sold or leased on or after January

24 1, 2024, to a financing entity or to a motor vehicle dealer as follows:

25 (e) For the purchase or lease of a CATEGORY 4, CATEGORY 4A,

26 category 7, OR CATEGORY 7A vehicle completed on or after January 1,

27 2024, the financing entity or the motor vehicle dealer shall electronically

28 submit a report containing the information contained in the election

29 statement described in subsection (13.7)(c) of this section to the

30 department on a quarterly basis in a form and manner required by the

31 department.

32 **SECTION 11.** In Colorado Revised Statutes, 39-22-516.8,

33 **amend** (13.5)(a) introductory portion and (18); and **add** (1)(bb.1),

34 (1)(q.5), (1.5), (13.5)(h), and (13.7) as follows:

35 **39-22-516.8. Tax credit for innovative trucks - definitions -**

36 **repeal.** (1) As used in this section, unless the context otherwise requires:

37 (bb.1) "MOTOR VEHICLE DEALER" HAS THE SAME MEANING AS SET

38 FORTH IN SECTION 44-20-102 (18).

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

40 (1.5) (a) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH

41 REQUIRES EACH BILL THAT EXTENDS AN EXPIRING TAX EXPENDITURE TO

42 INCLUDE A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A

43 STATUTORY LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS

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

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

10 (13.5) (a) A purchaser may assign the tax credit allowed in this
11 section for the purchase or lease of a category 4, category 4 A, category
12 4 B, category 4 C, category 7, category 7 A, or category 9 vehicle
13 completed on or after January 1, 2017, BUT BEFORE JANUARY 1, 2024, to
14 a financing entity as follows:

15 (h) THIS SUBSECTION (13.5) IS REPEALED, EFFECTIVE DECEMBER
16 31, 2028.

17 (13.7) (a) A PURCHASER MAY ASSIGN THE TAX CREDIT ALLOWED
18 IN SUBSECTIONS (2.7), (3.7), AND (9.7) OF THIS SECTION FOR THE
19 PURCHASE OR LEASE OF A CATEGORY 4, CATEGORY 4A, OR CATEGORY 7A
20 VEHICLE MADE AND DELIVERED ON OR AFTER JANUARY 1, 2024, TO A
21 FINANCING ENTITY OR TO A MOTOR VEHICLE DEALER AS FOLLOWS:

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

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

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

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

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

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

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

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

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

11 (III) AFFIRMS THAT THE REQUIREMENTS SPECIFIED IN SUBSECTION
12 (13.7)(a) OF THIS SECTION WERE MET.

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

16 (e) FOR THE PURCHASE OR LEASE OF A CATEGORY 4, CATEGORY
17 4A, OR CATEGORY 7A VEHICLE COMPLETED ON OR AFTER JANUARY 1,
18 2024, THE FINANCING ENTITY OR THE MOTOR VEHICLE DEALER SHALL
19 ELECTRONICALLY SUBMIT A REPORT CONTAINING THE INFORMATION
20 CONTAINED IN THE ELECTION STATEMENT DESCRIBED IN SUBSECTION
21 (13.7)(c) OF THIS SECTION TO THE DEPARTMENT ON A QUARTERLY BASIS
22 IN A FORM AND MANNER REQUIRED BY THE DEPARTMENT.

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

27 (g) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
28 1, 2025, THE FINANCING ENTITY OR MOTOR VEHICLE DEALER MAY ELECT
29 ADVANCE PAYMENTS OF CREDITS ASSIGNED UNDER THIS SUBSECTION
30 (13.7) AS SPECIFIED IN SECTION 39-22-629.

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

33 **SECTION 12.** In Colorado Revised Statutes, 39-22-516.8, **repeal**
34 (1)(b), (1)(c), (1)(d), (1)(h), (1)(i), (1)(j), (1)(k), (1)(n), (1)(o), (1)(p),
35 (1)(q), (1)(u), (1)(v), (1)(w), (1)(dd), (2), (2.3), (2.5), (3), (3.5), (4), (4.3),
36 (4.5), (5), (5.5), (6), (7), (8), (9), (9.5), (10), (11), (11.5), (11.6), and
37 (14)."

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

40 **39-22-629. Advance payments of income tax credits -**
41 **definitions.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT
42 OTHERWISE REQUIRES:

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

1 SECTION 39-22-516.8.

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

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

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

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

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

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

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

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

30 (3) AFTER RECEIPT OF A COMPLETED QUARTERLY REPORT, THE
31 DEPARTMENT SHALL MAKE AN ADVANCE PAYMENT OF THE APPLICABLE
32 CREDIT TO THE TAXPAYER IN THE FORM OF A REFUND OF THE TAXPAYER'S
33 OVERPAYMENT OF TAX IMPOSED UNDER THIS ARTICLE 22; EXCEPT THAT
34 THE ADVANCE PAYMENT DOES NOT ACCRUE INTEREST PURSUANT TO
35 SECTION 39-21-108(2) BUT IS SUBJECT TO INTERCEPT FOR THE TAXPAYER'S
36 UNPAID BALANCE OR UNPAID DEBTS, IF ANY, PURSUANT TO SECTION
37 39-21-108 (3).

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

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

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

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

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

18 Renumber succeeding sections accordingly.

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

21 Page 46, after line 26 insert:

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

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

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