

**First Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 09-0395.01 Esther van Mourik

**HOUSE BILL 09-1001**

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**HOUSE SPONSORSHIP**

**Rice,** Balmer, Liston, McFadyen, Solano

**SENATE SPONSORSHIP**

**Heath,** Mitchell, Scheffel, Schwartz, Veiga

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**House Committees**

Business Affairs and Labor  
Finance  
Appropriations

**Senate Committees**

Business, Labor and Technology  
Appropriations

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**A BILL FOR AN ACT**

101 **CONCERNING THE CREATION OF AN INCOME TAX CREDIT TO**  
102 **INCENTIVIZE COLORADO JOB GROWTH.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

Establishes the Colorado job growth incentive tax credit for a specified period. Upon conditional approval and annual calculation by the Colorado economic development commission, allows a taxpayer to claim a credit for a specified number of consecutive months within the specified period the credit is available. Allows the commission to allocate the credits by issuing credit certificates to taxpayers who meet established criteria for a project in the state. Allows the credit to be carried forward

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

HOUSE  
3rd Reading Unamended  
February 25, 2009

HOUSE  
Amended 2nd Reading  
February 24, 2009

for a specified time but not refunded. Establishes the methods for issuing credit certificates as well as the application process. Specifies how a credit is to be calculated. Grants the department of revenue rule-making authority.

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

2 **SECTION 1.** Part 5 of article 22 of title 39, Colorado Revised  
3 Statutes, is amended BY THE ADDITION OF A NEW SECTION to  
4 read:

5 **39-22-531. Colorado job growth incentive tax credit - rules -**  
6 **definitions - repeal.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT  
7 OTHERWISE REQUIRES:

8 (a) (I) "AFFILIATED GROUP" MEANS ONE OR MORE CHAINS OF  
9 PERSONS CONNECTED THROUGH STOCK OR OTHER OWNERSHIP INTERESTS  
10 WITH A PERSON IF:

11 (A) ONE OR MORE OF THE OTHER PERSONS IN THE CHAIN OWNS  
12 INTERESTS POSSESSING MORE THAN FIFTY PERCENT OF THE VOTING POWER  
13 OF ALL CLASSES OF OWNERSHIP INTERESTS EXCEPT OWNERSHIP INTERESTS  
14 OF THE COMMON PARENT AND MORE THAN FIFTY PERCENT OF EACH CLASS  
15 OF NONVOTING OWNERSHIP INTERESTS OF EACH OF THE PERSONS EXCEPT  
16 OWNERSHIP INTERESTS OF THE COMMON PARENT; AND

17 (B) THE COMMON PARENT OWNS INTERESTS POSSESSING MORE  
18 THAN FIFTY PERCENT OF THE VOTING POWER OF ALL CLASSES OF  
19 OWNERSHIP INTERESTS AND MORE THAN FIFTY PERCENT OF EACH CLASS OF  
20 THE NONVOTING OWNERSHIP INTERESTS OF AT LEAST ONE OF THE OTHER  
21 PERSONS IN THE CHAIN.

22 (II) AS USED IN THIS PARAGRAPH (a), THE TERM "OWNERSHIP  
23 INTEREST" DOES NOT INCLUDE NONVOTING STOCK THAT IS LIMITED AND

1       PREFERRED AS TO DIVIDENDS; EMPLOYER SECURITIES, WITHIN THE  
2       MEANING OF SECTION 409 (1) OF THE INTERNAL REVENUE CODE, WHILE  
3       SUCH SECURITIES ARE HELD UNDER A TAX CREDIT EMPLOYEE STOCK  
4       OWNERSHIP PLAN; OR QUALIFYING EMPLOYER SECURITIES, WITHIN THE  
5       MEANING OF SECTION 4975 (e) (8) OF THE INTERNAL REVENUE CODE,  
6       WHILE SUCH SECURITIES ARE HELD UNDER AN EMPLOYEE STOCK  
7       OWNERSHIP PLAN THAT MEETS THE REQUIREMENTS OF SECTION 4975 (e)  
8       (7) OF THE INTERNAL REVENUE CODE.

9               (III) AS USED IN THIS PARAGRAPH (a), THE TERM "PERSON" DOES  
10       NOT INCLUDE NATURAL PERSONS.

11              (b) "COMMISSION" MEANS THE COLORADO ECONOMIC  
12       DEVELOPMENT COMMISSION CREATED IN SECTION 24-46-102, C.R.S.

13              (c) "CREDIT CERTIFICATE" MEANS A STATEMENT ISSUED BY THE  
14       COMMISSION CERTIFYING THAT THE PROJECT QUALIFIES FOR THE JOB  
15       GROWTH INCENTIVE TAX CREDIT ALLOWED IN THIS SECTION AND  
16       SPECIFYING THE AMOUNT OF THE CREDIT ALLOWED.

17              (d) "CREDIT PERIOD" MEANS A PERIOD OF UP TO SIXTY  
18       CONSECUTIVE MONTHS FOR WHICH A TAXPAYER MAY CLAIM A CREDIT  
19       ALLOWED IN THIS SECTION THAT IS CALCULATED ANNUALLY BY THE  
20       COMMISSION. THE CREDIT PERIOD SHALL NOT EXTEND PAST DECEMBER  
21       31, 2018.

22              (e) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

23              (f) "NET JOB GROWTH" MEANS THE DIFFERENCE BETWEEN THE  
24       TOTAL NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES EMPLOYED BY THE  
25       TAXPAYER IN THE STATE FOR THE PROJECT AT THE END OF EACH  
26       CALENDAR YEAR OF THE PROJECT AND THE TOTAL NUMBER OF FULL-TIME  
27       EQUIVALENT EMPLOYEES EMPLOYED BY THE TAXPAYER IN THE STATE FOR

1 THE PROJECT AT THE COMMENCEMENT OF THE PROJECT.

2 (g) "PERSON" SHALL HAVE THE SAME MEANING AS PROVIDED IN  
3 SECTION 39-21-101 (3).

4 (h) "PROJECT" MEANS A PROJECT THAT ENCOURAGES, PROMOTES,  
5 AND STIMULATES ECONOMIC DEVELOPMENT IN KEY ECONOMIC SECTORS,  
6 INCLUDING, BUT NOT LIMITED TO, AEROSPACE, BIOSCIENCE, LIFE SCIENCE,  
7 CLEAN ENERGY TECHNOLOGY, TOURISM, FILM AND TELEVISION  
8 PRODUCTION, AND INFORMATION TECHNOLOGY, AND THAT IS APPROVED  
9 BY THE COMMISSION AS SPECIFIED IN SUBSECTION (3) OF THIS SECTION.

10 (i) "TAXPAYER" MEANS ANY PERSON DOING BUSINESS IN THE  
11 STATE. FOR PURPOSES OF THIS SECTION, TAXPAYER INCLUDES AN  
12 AFFILIATED GROUP.

13 (2) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
14 1, 2009, BUT PRIOR TO JANUARY 1, 2015, AT THE DISCRETION OF THE  
15 COMMISSION AS SPECIFIED IN SUBSECTION (3) OF THIS SECTION, THERE  
16 MAY BE ALLOWED TO ANY TAXPAYER AN ANNUAL JOB GROWTH INCENTIVE  
17 TAX CREDIT WITH RESPECT TO THE INCOME TAXES IMPOSED BY THIS  
18 ARTICLE THAT A TAXPAYER MAY CLAIM FOR A CREDIT PERIOD IN AN  
19 AMOUNT DETERMINED BY THE COMMISSION PURSUANT TO SUBSECTION (5)  
20 OF THIS SECTION.

21 (3) THE COMMISSION MAY APPROVE ANY JOB GROWTH INCENTIVE  
22 TAX CREDITS ALLOWED PURSUANT TO SUBSECTION (2) OF THIS SECTION  
23 SUBJECT TO THE FOLLOWING:

24 (a) DURING A CREDIT PERIOD A PROJECT SHALL:

25 (I) (A) EXCEPT AS PROVIDED IN SUB-SUBPARAGRAPH (B) OF THIS  
26 SUBPARAGRAPH (I), BRING A NET JOB GROWTH OF AT LEAST TWENTY NEW  
27 JOBS TO THE STATE WITH AN AVERAGE YEARLY WAGE OF AT LEAST

1 ONE HUNDRED TEN PERCENT OF THE AVERAGE YEARLY WAGE OF THE  
2 COUNTY IN WHICH THE TAXPAYER IS LOCATED.

3 (B) IF THE PROJECT WILL BE LOCATED IN A DESIGNATED ENHANCED  
4 RURAL ENTERPRISE ZONE AS SUCH ZONE IS DESCRIBED IN SECTION  
5 39-30-103.2 (1) AND THE LOCAL COMMUNITY OF THE DESIGNATED  
6 ENHANCED RURAL ENTERPRISE ZONE PROVIDES RATIONALE TO THE  
7 COMMISSION OUTLINING THE PROJECT'S ECONOMIC IMPORTANCE TO THE  
8 COMMUNITY, THE PROJECT SHALL, DURING A CREDIT PERIOD, BRING A NET  
9 JOB GROWTH OF AT LEAST FIVE NEW JOBS TO THE STATE WITH AN AVERAGE  
10 YEARLY WAGE OF AT LEAST ONE HUNDRED TEN PERCENT OF THE AVERAGE  
11 YEARLY WAGE OF THE ENHANCED RURAL ENTERPRISE ZONE IN WHICH THE  
12 TAXPAYER IS LOCATED.

13 (II) RESULT IN THE RETENTION OF ANY NEW EMPLOYEES HIRED FOR  
14 THE PROJECT FOR AT LEAST ONE YEAR; AND

15 (III) BE APPROVED BY THE COMMISSION ONLY IF THE PROJECT  
16 WOULD NOT OCCUR BUT FOR THE CREDIT ALLOWED IN THIS SECTION.

17 (b) A TAXPAYER SHALL SUBMIT A COMPLETE WRITTEN  
18 APPLICATION FOR A CREDIT ALLOWED IN THIS SECTION TO THE  
19 COMMISSION BEFORE THE PROJECT COMMENCES IN THE STATE. THE  
20 APPLICATION SHALL INCLUDE:

21 (I) AN IDENTIFICATION OF THE SPECIFIC JOBS THAT WILL BE  
22 CREATED.

23 (II) AN IDENTIFICATION OF THE COST DIFFERENTIAL IN THE  
24 PROJECTED COSTS OF THE PROJECT COMPARED TO THE PROJECTED COSTS  
25 WERE THE PROJECT COMMENCED IN A COMPETING STATE. THE COST  
26 DIFFERENTIAL SHALL INCLUDE ANY IMPACT OF THE COMPETING STATE'S  
27 INCENTIVE PROGRAMS AND MAY INCLUDE:

1 (A) SPECIFIC COSTS FOR LABOR, UTILITIES, TAXES, AND ANY OTHER  
2 COSTS OF A COMPETING STATE'S SITE; AND

3 (B) THE COST STRUCTURE OF THE TAXPAYER'S INDUSTRY IN THE  
4 COMPETING STATE.

5 (III) DOCUMENTATION TO DEMONSTRATE THAT WITHOUT THE  
6 CREDIT ALLOWED IN THIS SECTION, THE PROJECT WOULD NOT OCCUR IN  
7 THIS STATE. SUCH DOCUMENTATION SHALL INCLUDE INFORMATION THAT  
8 INDICATES THAT:

9 (A) THE TAXPAYER COULD REASONABLY AND EFFICIENTLY  
10 LOCATE THE PROJECT OUTSIDE OF THIS STATE;

11 (B) AT LEAST ONE OTHER STATE IS BEING CONSIDERED FOR THE  
12 PROJECT;

13 (C) RECEIPT OF THE CREDIT ALLOWED IN THIS SECTION IS A MAJOR  
14 FACTOR IN THE TAXPAYER'S DECISION; AND

15 (D) WITHOUT THE CREDIT ALLOWED IN THIS SECTION, THE  
16 TAXPAYER IS NOT LIKELY TO COMMENCE THE PROJECT IN THE STATE.

17 (c) IN THE EXERCISE OF THE COMMISSION'S DISCRETION GRANTED  
18 BY THIS SUBSECTION (3), THE COMMISSION SHALL ONLY CONSIDER THE  
19 FOLLOWING:

20 (I) THE ECONOMIC HEALTH OF THIS STATE;

21 (II) THE ECONOMIC VIABILITY OF THE PROPOSED NEW JOBS;

22 (III) THE ECONOMIC BENEFITS TO THE STATE OF THE NEW JOBS;

23 AND

24 (IV) THE MAXIMUM AMOUNT OF THE CREDIT NEEDED TO  
25 ATTRACT THE NEW JOBS TO THIS STATE.

26 (4) (a) (I) THE COMMISSION SHALL REVIEW EACH APPLICATION FOR  
27 A CREDIT ALLOWED IN THIS SECTION SUBMITTED BY ANY TAXPAYER.

1     BASED ON THE APPLICATION SUBMITTED, THE COMMISSION MAY OFFER  
2     CONDITIONAL APPROVAL TO A TAXPAYER FOR A CREDIT. THE  
3     CONDITIONAL APPROVAL SHALL INCLUDE THE MAXIMUM AMOUNT OF THE  
4     CREDIT AVAILABLE TO THE TAXPAYER FOR THE CREDIT PERIOD  
5     CALCULATED PURSUANT TO PARAGRAPH (a) OF SUBSECTION (5) OF THIS  
6     SECTION AND THE SPECIFIC TERMS THAT SHALL BE MET TO QUALIFY FOR  
7     THE CREDIT.

8             (II) A TAXPAYER THAT RECEIVES CONDITIONAL APPROVAL FOR A  
9     CREDIT ALLOWED IN THIS SECTION SHALL NOTIFY THE COMMISSION  
10    PROMPTLY IF THE PROJECT IS CANCELED OR OTHERWISE BECOMES  
11    INELIGIBLE FOR THE ESTIMATED CREDIT, IN WHICH CASE THE CONDITIONAL  
12    APPROVAL MAY BE CANCELED. THE CONDITIONAL APPROVAL SHALL BE  
13    VOID AND ANY CREDIT CLAIMED SHALL BE REPAID IF A TAXPAYER THAT  
14    RECEIVES CONDITIONAL APPROVAL DOES NOT COMMENCE THE PROJECT  
15    WITHIN ONE AND A HALF YEARS OF THE RECEIPT OF THE CONDITIONAL  
16    APPROVAL OR FAILS TO MEET THE TERMS OF SUBSECTION (3) OF THIS  
17    SECTION.

18            (b) BY MARCH 1 OF THE CALENDAR YEAR AFTER THE  
19    COMMENCEMENT OF THE PROJECT, AND EACH MARCH 1 OF ANY CALENDAR  
20    YEAR FOLLOWING A YEAR OF THE CREDIT PERIOD, A TAXPAYER THAT  
21    RECEIVED CONDITIONAL APPROVAL AS SPECIFIED IN PARAGRAPH (a) OF  
22    THIS SUBSECTION (4) SHALL SUBMIT AN ANNUAL REQUEST FOR A CREDIT  
23    CERTIFICATE. THE REQUEST SHALL INCLUDE DOCUMENTS THAT DETAIL  
24    THE NUMBER OF EMPLOYEES HIRED FOR THE PROJECT, THE NET JOB  
25    GROWTH FOR THE TAXPAYER, ALL DOCUMENTATION NECESSARY TO  
26    CALCULATE THE CREDIT AS SPECIFIED IN SUBSECTION (5) OF THIS SECTION,  
27    AND ANY OTHER INFORMATION REQUESTED BY THE COMMISSION.

1 (c) IF THE PROJECT HAS COMMENCED AND THE PROJECT MEETS OR  
2 EXCEEDS THE CONDITIONS OF A PROJECT AS SPECIFIED IN PARAGRAPHS (a)  
3 AND (b) OF SUBSECTION (3) OF THIS SECTION, THE COMMISSION SHALL  
4 CALCULATE THE ANNUAL AMOUNT OF THE CREDIT ALLOWED IN THIS  
5 SECTION AS SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (5) OF THIS  
6 SECTION AND SHALL ISSUE A CREDIT CERTIFICATE FOR THAT CALENDAR  
7 YEAR IN THAT AMOUNT TO THE TAXPAYER. THE CREDIT CERTIFICATE  
8 SHALL BE SUBMITTED BY THE TAXPAYER TO THE DEPARTMENT WITH THE  
9 TAXPAYER'S INCOME TAX RETURN FOR THE TAX YEAR THAT INCLUDES THE  
10 DECEMBER 31 OF THE CALENDAR YEAR FOR WHICH THE CREDIT  
11 CERTIFICATE IS ISSUED.

12 (5) THE CREDIT ALLOWED IN THIS SECTION SHALL BE CALCULATED  
13 BY THE COMMISSION AS FOLLOWS:

14 (a) FOR THE MAXIMUM AMOUNT OF THE CREDIT ALLOWED IN THIS  
15 SECTION AVAILABLE TO THE TAXPAYER FOR THE CREDIT PERIOD, THE  
16 COMMISSION SHALL MULTIPLY THE ESTIMATED NET JOB GROWTH FOR EACH  
17 OF THE YEARS IN THE CREDIT PERIOD BY FIFTY PERCENT OF THE  
18 TAXPAYER'S TOTAL ESTIMATED TAXES IMPOSED ON THE EMPLOYER EACH  
19 YEAR FOR THE NEW EMPLOYEES OF THE PROJECT UNDER THE "FEDERAL  
20 INSURANCE CONTRIBUTIONS ACT", 26 U.S.C. SEC. 3111 (a) AND (b). THE  
21 MAXIMUM AMOUNT OF THE CREDIT SHALL BE THE RESULT OF THIS  
22 CALCULATION OR SUCH LESSER AMOUNT AS THE COMMISSION DEEMS  
23 PROPER UNDER ITS DISCRETION AS SPECIFIED IN PARAGRAPH (c) OF  
24 SUBSECTION (3) OF THIS SECTION.

25 (b) FOR THE ANNUAL AMOUNT OF THE CREDIT ALLOWED IN THIS  
26 SECTION AVAILABLE TO THE TAXPAYER, THE COMMISSION SHALL  
27 MULTIPLY THE ACTUAL NET JOB GROWTH FOR THAT YEAR BY FIFTY

1 PERCENT OF THE TAXPAYER'S TAXES IMPOSED ON THE EMPLOYER FOR THE  
2 NEW EMPLOYEES OF THE PROJECT UNDER THE "FEDERAL INSURANCE  
3 CONTRIBUTIONS ACT", 26 U.S.C. SEC. 3111 (a) AND (b). THE AMOUNT OF  
4 THE CREDIT ALLOWED IN THIS SECTION SHALL BE THE RESULT OF THIS  
5 CALCULATION; EXCEPT THAT NO CREDIT CERTIFICATE SHALL BE ISSUED IF  
6 THE AGGREGATE OF ALL CREDITS CLAIMED OR TO BE CLAIMED BY THE  
7 TAXPAYER, INCLUDING THE CURRENT CREDIT CERTIFICATE, EXCEEDS THE  
8 MAXIMUM AMOUNT OF THE CREDIT AS CALCULATED PURSUANT TO  
9 PARAGRAPH (a) OF THIS SUBSECTION (5).

10 (6) IF THE AMOUNT OF THE CREDIT ALLOWED IN THIS SECTION  
11 EXCEEDS THE AMOUNT OF INCOME TAXES OTHERWISE DUE ON THE  
12 TAXPAYER'S INCOME IN THE INCOME TAX YEAR FOR WHICH THE CREDIT IS  
13 BEING CLAIMED, THE AMOUNT OF THE CREDIT NOT USED AS AN OFFSET  
14 AGAINST INCOME TAXES IN THE CURRENT INCOME TAX YEAR MAY BE  
15 CARRIED FORWARD AND USED AS A CREDIT AGAINST SUBSEQUENT YEARS'  
16 INCOME TAX LIABILITY FOR A PERIOD NOT TO EXCEED TEN YEARS AND  
17 SHALL BE APPLIED FIRST TO THE EARLIEST INCOME TAX YEARS POSSIBLE.  
18 ANY CREDIT REMAINING AFTER SAID PERIOD SHALL NOT BE REFUNDED OR  
19 CREDITED TO THE TAXPAYER.

20 (7) THE COMMISSION OR ITS DESIGNEE MAY AUDIT THE ACCOUNTS  
21 OF A TAXPAYER UP TO TWELVE MONTHS FOLLOWING THE ISSUANCE OF ANY  
22 CREDIT CERTIFICATE.

23 (8) THE COMMISSION SHALL INCLUDE INFORMATION REGARDING  
24 ALL CONDITIONAL APPROVALS GRANTED AND CREDIT CERTIFICATES  
25 ISSUED PURSUANT TO THIS SECTION, INCLUDING THE CREDITS CLAIMED,  
26 THE NAMES OF THE RECIPIENTS OF THE CREDITS, AND THE AMOUNTS  
27 CLAIMED, IN ITS ANNUAL REPORT REQUIRED TO BE PRESENTED TO THE

1 GENERAL ASSEMBLY PURSUANT TO SECTION 24-46-104 (2), C.R.S.

2 (9) IF A TAXPAYER RECEIVING A CREDIT ALLOWED IN THIS SECTION  
3 IS A PARTNERSHIP, LIMITED LIABILITY COMPANY, S CORPORATION, OR  
4 SIMILAR PASS-THROUGH ENTITY, THE TAXPAYER MAY ALLOCATE THE  
5 CREDIT AMONG ITS PARTNERS, SHAREHOLDERS, MEMBERS, OR OTHER  
6 CONSTITUENT TAXPAYERS IN ANY MANNER AGREED TO BY SUCH  
7 PARTNERS, SHAREHOLDERS, MEMBERS, OR OTHER CONSTITUENT  
8 TAXPAYERS. THE TAXPAYER SHALL CERTIFY TO THE COMMISSION AND THE  
9 DEPARTMENT THE AMOUNT OF THE CREDIT ALLOCATED TO EACH PARTNER,  
10 SHAREHOLDER, MEMBER, OR OTHER CONSTITUENT TAXPAYER, AND THE  
11 COMMISSION SHALL ISSUE CREDIT CERTIFICATES IN THE APPROPRIATE  
12 AMOUNTS TO EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER  
13 CONSTITUENT TAXPAYER. EACH PARTNER, SHAREHOLDER, MEMBER, OR  
14 OTHER CONSTITUENT TAXPAYER SHALL BE ALLOWED TO CLAIM SUCH  
15 AMOUNT SUBJECT TO ANY RESTRICTIONS SET FORTH IN THIS SECTION.

16 (10) NO LATER THAN SEPTEMBER 1, 2010, AND NO LATER THAN  
17 SEPTEMBER 1 OF EACH YEAR THEREAFTER THROUGH SEPTEMBER 1, 2019,  
18 THE COMMISSION SHALL PROVIDE THE DEPARTMENT WITH AN ELECTRONIC  
19 REPORT OF THE TAXPAYERS RECEIVING A CREDIT ALLOWED IN THIS  
20 SECTION FOR THE PRECEDING CALENDAR YEAR OR ANY FISCAL YEAR  
21 ENDING IN THE PRECEDING CALENDAR YEAR, AND ANY CREDITS  
22 DISALLOWED PURSUANT TO SUBPARAGRAPH (II) OF PARAGRAPH (a) OF  
23 SUBSECTION (4) OF THIS SECTION FOR ANY YEAR, THAT INCLUDES THE  
24 FOLLOWING INFORMATION:

- 25 (a) THE TAXPAYER'S NAME;
- 26 (b) THE TAXPAYER'S COLORADO ACCOUNT NUMBER AND FEDERAL  
27 EMPLOYER IDENTIFICATION NUMBER;

1 (c) THE AMOUNT OF THE CREDIT ALLOWED IN THIS SECTION; AND

2 (d) ANY ASSOCIATED TAXPAYER'S NAMES, COLORADO ACCOUNT  
3 NUMBERS, AND FEDERAL EMPLOYER IDENTIFICATION NUMBERS OR SOCIAL  
4 SECURITY NUMBERS, IF THE CREDIT ALLOWED IN THIS SECTION IS  
5 ALLOCATED FROM A PASS-THROUGH ENTITY PURSUANT TO SUBSECTION (9)  
6 OF THIS SECTION.

7 (11) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT MAY  
8 PROMULGATE RULES AS MAY BE NECESSARY TO ADMINISTER AND ENFORCE  
9 ANY PROVISION OF THIS SECTION. THE RULES SHALL BE PROMULGATED IN  
10 ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S.

11 (12) ANY TAXPAYER WHO OFFSETS A TAX DEFICIENCY WITH A  
12 CREDIT ALLOWED IN THIS SECTION THAT IS DISALLOWED PURSUANT TO  
13 THIS SECTION SHALL BE LIABLE FOR SUCH TAX DEFICIENCY, INTEREST, AND  
14 PENALTIES AS MAY BE SPECIFIED IN THIS ARTICLE OR OTHERWISE  
15 PROVIDED BY LAW.

16 (13) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2025.

17 **SECTION 2.** 39-22-622 (4), Colorado Revised Statutes, is  
18 amended to read:

19 **39-22-622. Refunds.** (4) The provisions of subsection (2) of this  
20 section shall not apply to any return that is being audited or to any return  
21 that may take longer than normal to process due to the mathematical or  
22 clerical errors contained in said return, ~~or~~ to unforeseen delays caused by  
23 the failure of processing equipment, OR BECAUSE OF A TAX CREDIT  
24 ALLOWED IN SECTION 39-22-531. Such determination shall be made in  
25 good faith by the department OF REVENUE. Any refund attributable to a  
26 return ~~which~~ THAT takes longer than normal to process for reasons  
27 specified in this subsection (4) shall be subject to the requirements of

1 section 39-22-604 (9).

2           **SECTION 3. Act subject to petition - effective date.** This act  
3 shall take effect at 12:01 a.m. on the day following the expiration of the  
4 ninety-day period after final adjournment of the general assembly that is  
5 allowed for submitting a referendum petition pursuant to article V,  
6 section 1 (3) of the state constitution, (August 4, 2009, if adjournment  
7 sine die is on May 6, 2009); except that, if a referendum petition is filed  
8 against this act or an item, section, or part of this act within such period,  
9 then the act, item, section, or part, if approved by the people, shall take  
10 effect on the date of the official declaration of the vote thereon by  
11 proclamation of the governor.