

First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 11-1053.01 Nicole Myers

HOUSE BILL 11-1314

HOUSE SPONSORSHIP

Sonnenberg,

SENATE SPONSORSHIP

(None),

House Committees

Economic and Business Development

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A REPEAL OF THE REQUIREMENT THAT A TAXPAYER**
102 **LOCATED IN AN ENTERPRISE ZONE OBTAIN PRE-CERTIFICATION**
103 **PRIOR TO ENGAGING IN AN ACTIVITY FOR WHICH THE TAXPAYER**
104 **INTENDS TO CLAIM AN ENTERPRISE ZONE TAX CREDIT.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Current law requires that, beginning on January 1, 2012, a taxpayer that does business in an enterprise zone shall obtain pre-certification from

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.

the enterprise zone administrator before engaging in an activity for which the taxpayer intends to claim an enterprise zone tax credit. Current law also requires that a taxpayer that completes an activity prior to January 1, 2012, for which the taxpayer intends to claim an enterprise zone tax credit, shall submit to the enterprise zone administrator by a certain date any information related to the completed activity that is necessary to receive certification from the enterprise zone administrator. The bill eliminates both of these requirements.

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

2 **SECTION 1. Repeal.** 39-30-103 (7), Colorado Revised Statutes,
3 is repealed as follows:

4 **39-30-103. Zones established - termination.** (7) (a) ~~Beginning~~
5 ~~on January 1, 2012, before a taxpayer engages in any activity for which~~
6 ~~the taxpayer intends to claim an income tax credit pursuant to section~~
7 ~~39-30-104, 39-30-105, 39-30-105.5, or 39-30-105.6, an authorized~~
8 ~~company official of the taxpayer's business or the taxpayer who is the~~
9 ~~owner of the business shall submit a pre-certification form to the~~
10 ~~enterprise zone administrator as specified in this subsection (7). A~~
11 ~~taxpayer that completes an activity prior to January 1, 2012, for which the~~
12 ~~taxpayer intends to claim an income tax credit pursuant to this article~~
13 ~~shall submit to the zone administrator on or before December 31, 2012,~~
14 ~~any information related to such completed activity that is necessary to~~
15 ~~receive certification from the zone administrator that the taxpayer's~~
16 ~~business is located in the enterprise zone. Nothing in this subsection (7)~~
17 ~~shall be construed to require a taxpayer to submit a pre-certification form~~
18 ~~to the zone administrator for activities completed prior to January 1, 2012.~~
19 ~~In connection with the pre-certification, the taxpayer shall be required to:~~

20 (I) ~~Obtain verification from the enterprise zone administrator that~~
21 ~~the taxpayer's business is located in an enterprise zone;~~

1 ~~(H) Certify that the taxpayer is aware of the enterprise zone~~
2 ~~income tax credits allowed pursuant to this article;~~

3 ~~(HH) Certify that the enterprise zone income tax credits allowed~~
4 ~~pursuant to this article are a contributing factor to the start-up, expansion,~~
5 ~~or relocation of the taxpayer's business in the enterprise zone; and~~

6 ~~(IV) Certify that the taxpayer acknowledges that the~~
7 ~~pre-certification required pursuant to this section is for activities that shall~~
8 ~~commence after the date that the pre-certification form is executed by the~~
9 ~~enterprise zone administrator through the end of the business's~~
10 ~~then-current income tax year.~~

11 ~~(b) The department of revenue shall amend the current~~
12 ~~certification forms that a taxpayer is required to complete in connection~~
13 ~~with claiming an income tax credit pursuant to this article, to include a~~
14 ~~section through which the taxpayer or an authorized company official of~~
15 ~~the taxpayer's business may provide the information required pursuant to~~
16 ~~subparagraphs (H) to (IV) of paragraph (a) of this subsection (7).~~

17 **SECTION 2.** 39-30-110, Colorado Revised Statutes, is amended
18 to read:

19 **39-30-110. Electronic submissions.** (1) The Colorado office of
20 economic development shall collaborate with the Colorado economic
21 development commission and the department of revenue to develop the
22 capability to allow taxpayers that intend to claim one or more income tax
23 credits pursuant to this article to obtain any necessary certification
24 ~~including pre-certification requirements,~~ from the enterprise zone
25 administrator in an electronic format. The Colorado office of economic
26 development shall implement the electronic submission system by
27 January 1, 2013. If the Colorado office of economic development is

1 unable to implement an electronic submission system by January 1, 2013,
2 the office shall submit a report to the Colorado economic development
3 commission and the general assembly that explains the reasons that the
4 implementation of such system has not been accomplished.

5 (2) Nothing in subsection (1) of this section shall be construed to
6 prohibit a taxpayer that intends to claim one or more income tax credits
7 pursuant to this article from submitting printed copies of certification
8 forms. ~~including pre-certification requirements.~~

9 **SECTION 3. Act subject to petition - effective date.** This act
10 shall take effect at 12:01 a.m. on the day following the expiration of the
11 ninety-day period after final adjournment of the general assembly (August
12 10, 2011, if adjournment sine die is on May 11, 2011); except that, if a
13 referendum petition is filed pursuant to section 1 (3) of article V of the
14 state constitution against this act or an item, section, or part of this act
15 within such period, then the act, item, section, or part shall not take effect
16 unless approved by the people at the general election to be held in
17 November 2012 and shall take effect on the date of the official
18 declaration of the vote thereon by the governor.