

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

April 18, 2013
Date

Committee on Agriculture, Natural Resources, & Energy.

After consideration on the merits, the Committee recommends the following:

SB13-273 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 5, line 7, strike "IN" and substitute "EFFECTIVE
2 JULY 1, 2016, IN".

3 Page 6, after line 2 insert:

4 "SECTION 6. In Colorado Revised Statutes, 37-95-103, **amend**
5 (4.9) as follows:

6 **37-95-103. Definitions.** As used in this article:

7 (4.9) "Forest health project" means:

8 (a) An undertaking that improves the health of a forest, including,
9 but not limited to:

10 (a) (I) Reducing the threat of uncharacteristically large or intense
11 insect diseases and epidemics;

12 (b) (II) Reducing the impact of uncharacteristically large or
13 high-intensity wildfires;

14 (c) (III) Reducing the impact of undesirable nonnative species;

15 (d) (IV) Replanting trees in deforested areas; or

16 (e) (V) Improving the use of, or adding value to, small diameter
17 trees; AND

18 (b) A PROJECT TO HARVEST WOODY VEGETATION FOR, OR USE
19 WOODY VEGETATION IN, THE PRODUCTION OF ENERGY, FUELS, FOREST
20 PRODUCTS, OR OTHER APPLICATIONS. THE PROJECT MAY, BUT NEED NOT,
21 CONSTITUTE ALL OR PART OF A PLAN ADOPTED BY A COMMUNITY UNDER
22 SECTION 23-31-312 (3.5), C.R.S.

1 **SECTION 7.** In Colorado Revised Statutes, 39-22-104, **amend**
2 **as amended by House Bill 13-1012** (4) (n.5) (I) and (4) (n.5) (II) as
3 follows:

4 **39-22-104. Income tax imposed on individuals, estates, and**
5 **trusts - single rate - definitions - repeal.** (4) There shall be subtracted
6 from federal taxable income:

7 (n.5) (I) (A) For income tax years commencing on or after January
8 1, 2014, but prior to January 1, 2025, an amount equal to fifty percent of
9 a landowner's costs incurred in performing wildfire mitigation measures
10 in that income tax year on his or her property located within the state;
11 except that the amount of the deduction claimed in an income tax year
12 shall not exceed two thousand five hundred dollars or the total amount of
13 the landowner's federal taxable income for the income tax year for which
14 the deduction is claimed, whichever is less.

15 (B) FOR THE INCOME TAX YEAR COMMENCING ON JANUARY 1,
16 2016, TWO THOUSAND FIVE HUNDRED DOLLARS OR THE TOTAL AMOUNT OF
17 BUSINESS INCOME FOR THAT INCOME TAX YEAR, WHICHEVER IS LESS, FOR
18 A BUSINESS THAT HARVESTS OR PROCESSES WOODY VEGETATION FOR, OR
19 USES WOODY VEGETATION IN, THE PRODUCTION OF ENERGY, FUELS, OR
20 FOREST PRODUCTS OR A BUSINESS THAT SELLS OR INSTALLS FURNACES
21 FUELED BY WOODY VEGETATION AND THAT ARE SMALLER THAN ONE
22 MILLION BRITISH THERMAL UNITS, AS DEFINED IN SECTION 8-20-201 (1.3),
23 C.R.S.

24 ~~(B)~~ (C) In the case of two individuals filing a joint return, the
25 amount subtracted from federal taxable income shall not exceed two
26 thousand five hundred dollars in any taxable year. In the case of a married
27 individual who files a separate return, only one individual in the marriage
28 may claim the deduction specified in this paragraph (n.5).

29 ~~(C)~~ (D) In the case of real property owned as tenants in common,
30 the deduction allowed pursuant to this paragraph (n.5) shall only be
31 allowed to one of the individuals of the ownership group.

32 (II) A landowner who performs wildfire mitigation measures on
33 his or her real property located within the state may claim the deduction
34 authorized by SUBPARAGRAPH (I) OF this paragraph (n.5) if the wildfire
35 mitigation measures are performed in a wildland-urban interface area."

36 Page 6, strike lines 3 through 14 and substitute:

37 **"SECTION 8.** In Colorado Revised Statutes, 39-30-103, **add** (1.2)
38 as follows:

39 **39-30-103. Zones established - review - termination - repeal.**

1 (1.2) EFFECTIVE JANUARY 1, 2016, EVERY RED ZONE, AS DEFINED IN
2 SECTION 23-31-312, C.R.S., IS CONSIDERED AN ENTERPRISE ZONE SO THAT
3 ANY PERSON IN THE FOREST PRODUCTS INDUSTRY, AND ANY OWNER OF A
4 BIOMASS ENERGY PROJECT, IN A RED ZONE MAY AVAIL HIMSELF OR
5 HERSELF OF THE TAX CREDITS SET FORTH IN THIS ARTICLE. "

6 Renumber succeeding sections accordingly.

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