

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0702.01 Esther van Mourik x4215

HOUSE BILL 14-1163

HOUSE SPONSORSHIP

Hullinghorst,

SENATE SPONSORSHIP

Heath,

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING A CLARIFICATION OF THE CAP IMPOSED ON THE
102 ENTERPRISE ZONE INVESTMENT 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>.)

The bill amends language added during the 2013 legislative session that could interfere with the general assembly's intent in adopting House Bill 13-1142. The intent stated in committee hearings regarding the bill and noted correctly in the fiscal note was that the amount of the enterprise zone investment tax credit that a taxpayer may claim in any

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.

year be limited to \$750,000 per year beginning in tax year 2014. Credits earned on and after tax year 2014 over the \$750,000 limit were intended to be allowed as a carryforward in future tax years for 14 years (or 22 years for renewable energy investments as determined in Senate Bill 13-286). Credits carried forward from tax years before 2014 were to be exempt from the \$750,000 limit.

In error, the statute allows the amount of the credits earned on and after tax year 2014 over the \$750,000 limit to be added to the \$750,000 limit in future tax years. This was not the intent and would render the \$750,000 cap ineffective.

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

SECTION 1. In Colorado Revised Statutes, 39-30-104, **amend** (2) (c) (I) introductory portion and (2) (c) (I) (B) as follows:

39-30-104. Credit against tax - investment in certain property - definition. (2) (c) (I) For income tax years commencing on or after January 1, 2014, except as provided in subparagraph (II) of this paragraph (c), the amount that may be claimed by a taxpayer for ~~the~~ AN income tax year ~~in which the total qualified investment is made~~ is limited to the lesser of:

(B) Seven hundred ~~and~~ fifty thousand dollars plus any investment tax credit carryovers ~~allowed in subparagraph (III) of this paragraph (c) or~~ previously allowed in subsection (2.5) of this section.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.