

**First Regular Session  
Seventieth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

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

LLS NO. 15-0163.01 Esther van Mourik x4215

**HOUSE BILL 15-1227**

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**HOUSE SPONSORSHIP**

**Becker K.,**

**SENATE SPONSORSHIP**

**Heath,**

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**House Committees**

Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE CREATION OF AN INCOME TAX CREDIT TO**  
102              **ENCOURAGE EMPLOYERS TO ASSIST IN REPAYMENT OF**  
103              **EMPLOYEE STUDENT LOANS IF THE EMPLOYEE EARNS CERTAIN**  
104              **DEGREES.**

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**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 creates an income tax credit for a limited number of years for employers doing business in Colorado who hire and retain new employees for a 12-month period and during that period make payments

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.*

directly to a lender on behalf of each new employee for the new employee's student loan that he or she incurred while earning an approved degree. An employer who has multiple new employees may seek credits for each new employee. The bill requires the approved degree to be an associate or bachelor's degree that represents the completion of a course of study in science, technology, engineering, or mathematics, or a vocational certificate related to industry, manufacturing, or information technology from a Colorado institution of higher education. The bill requires each new employee to be a Colorado resident, work full-time, and receive a base salary or hourly wages totaling less than \$60,000 per year.

The bill sets up a process whereby the employer seeks preapproval of a credit through the Colorado office of economic development (office) and then allows the office to issue credit certificates after the employer has documented that the requirements of the credit have been met by the employer.

The bill specifies that the amount of the credit is calculated as 50% of the payments made directly by the employer to a new employee's lender, subject to a specified maximum per new employee and a specified maximum per employer, except that the per employer maximum may be waived by the Colorado economic development commission. The bill further limits the number of credits that the office may issue in each income tax year that the credit is available.

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

2           **SECTION 1. Legislative declaration.** (1) The general assembly  
3 hereby finds and declares that:

4           (a) Colorado's workforce is one of the most educated workforces  
5 in the nation;

6           (b) When a company decides where to locate and grow, available  
7 talent is one of its biggest considerations;

8           (c) Colorado's highly educated workforce is an important asset to  
9 the state;

10           (d) States around the country recognize the importance of having  
11 an educated workforce and have announced various funding programs to

1 grow talent in their states;

2 (e) In order to keep Colorado at the forefront of innovation, the  
3 state must continue to retain and attract educated, innovative individuals  
4 in the fields of science, technology, engineering, and mathematics;

5 (f) Colorado's institutions of higher education continue to grow  
6 and strengthen their programs in the fields of science, technology,  
7 engineering, and mathematics, and it is important to Colorado's economy  
8 that graduates of these programs remain in Colorado;

9 (g) In order to remain competitive when retaining and attracting  
10 talent and companies to Colorado, the state must be able to show that it  
11 supports its educated workforce and that it is committed to growing its  
12 talent base; and

13 (h) The state will more successfully retain and attract an educated  
14 workforce to stay in Colorado if there is an incentive for local employers  
15 to help pay for an employee's student loans.

16 **SECTION 2.** In Colorado Revised Statutes, **add** 39-22-538 as  
17 follows:

18 **39-22-538. Colorado talent tax credit - rules - definitions -**  
19 **repeal.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
20 REQUIRES:

21 (a) "AFFILIATE" MEANS ANY PERSON OR ENTITY THAT CONTROLS,  
22 IS CONTROLLED BY, OR IS UNDER COMMON CONTROL WITH ANOTHER  
23 PERSON OR ENTITY. FOR PURPOSES OF THIS PARAGRAPH (a), "CONTROL"  
24 MEANS THE POWER TO DETERMINE THE POLICIES OF AN ENTITY WHETHER  
25 THROUGH OWNERSHIP OF VOTING SECURITIES, BY CONTRACT, OR  
26 OTHERWISE.

27 (b) "APPROVED DEGREE" MEANS AN ASSOCIATE OR BACHELOR'S

1 DEGREE THAT REPRESENTS THE COMPLETION OF A COURSE OF STUDY IN  
2 SCIENCE, TECHNOLOGY, ENGINEERING, OR MATHEMATICS, OR A  
3 VOCATIONAL CERTIFICATE RELATED TO INDUSTRY, MANUFACTURING, OR  
4 INFORMATION TECHNOLOGY, FROM A COLORADO INSTITUTION OF HIGHER  
5 EDUCATION AND THAT IS APPROVED BY THE OFFICE.

6 (c) "COLORADO INSTITUTION OF HIGHER EDUCATION" MEANS AN  
7 INSTITUTION OF HIGHER EDUCATION AS DEFINED IN SECTION 23-3.1-102  
8 (5), C.R.S., THAT IS LOCATED IN COLORADO.

9 (d) "COMMISSION" MEANS THE COLORADO ECONOMIC  
10 DEVELOPMENT COMMISSION CREATED IN SECTION 24-46-102, C.R.S.

11 (e) "CREDIT CERTIFICATE" MEANS A STATEMENT ISSUED BY THE  
12 OFFICE CERTIFYING THAT THE EMPLOYER QUALIFIES FOR THE TALENT TAX  
13 CREDIT ALLOWED IN THIS SECTION AND SPECIFYING THE AMOUNT OF THE  
14 CREDIT ALLOWED.

15 (f) "CREDIT PERIOD" MEANS A PERIOD OF TWELVE CONSECUTIVE  
16 MONTHS CALCULATED FROM THE LATER OF:

17 (I) THE DAY THE CONDITIONAL APPROVAL IS GRANTED BY THE  
18 OFFICE AS SPECIFIED IN PARAGRAPH (a) OF SUBSECTION (4) OF THIS  
19 SECTION; OR

20 (II) THE DAY THE NEW EMPLOYEE BEGINS WORKING FOR THE  
21 EMPLOYER.

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

23 (h) "EMPLOYER" MEANS A PERSON OR AFFILIATE DOING BUSINESS  
24 IN THE STATE.

25 (i) "GUIDELINES" MEANS THE GUIDELINES DEVELOPED BY THE  
26 OFFICE AS SPECIFIED IN PARAGRAPH (c) OF SUBSECTION (3) OF THIS  
27 SECTION.

1 (j) "NEW EMPLOYEE" MEANS A RESIDENT INDIVIDUAL WHO  
2 PERFORMS LABOR OR SERVICES IN THE STATE FOR AN EMPLOYER, FOR  
3 WHICH THE EMPLOYER FILES A FEDERAL FORM W-2, AND WHO:

4 (I) IS HIRED BY THE EMPLOYER ON OR AFTER THE EFFECTIVE DATE  
5 OF THIS SUBPARAGRAPH (I);

6 (II) HAS A JOB TITLE AND JOB DESCRIPTION FOR WHICH AN  
7 APPROVED DEGREE IS EITHER A DIRECT REQUIREMENT OR A STRONG  
8 PREFERENCE OF THE EMPLOYER;

9 (III) RECEIVES A BASE SALARY OR HOURLY WAGES TOTALING LESS  
10 THAN SIXTY THOUSAND DOLLARS PER YEAR;

11 (IV) WORKS FULL-TIME; AND

12 (V) GRADUATED WITH AN APPROVED DEGREE NO EARLIER THAN  
13 DECEMBER 31, 2010.

14 (k) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC  
15 DEVELOPMENT CREATED IN SECTION 24-48.5-101, C.R.S.

16 (l) "QUALIFIED EMPLOYER" MEANS AN EMPLOYER WHO HIRES AND  
17 RETAINS A NEW EMPLOYEE FOR A CREDIT PERIOD AND MAKES PAYMENTS  
18 DIRECTLY TO A LENDER FOR A QUALIFIED LOAN DURING THE CREDIT  
19 PERIOD.

20 (m) "QUALIFIED LOAN" MEANS A STUDENT LOAN THAT MEETS THE  
21 DEFINITION OF A "QUALIFIED EDUCATION LOAN" IN 26 U.S.C. SEC. 221, AS  
22 AMENDED, INCURRED BY THE NEW EMPLOYEE WHILE EARNING AN  
23 APPROVED DEGREE FROM A COLORADO INSTITUTION OF HIGHER  
24 EDUCATION.

25 (2) (a) EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS  
26 SUBSECTION (2), FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
27 JANUARY 1, 2016, BUT PRIOR TO JANUARY 1, 2020, AT THE DISCRETION OF

1 THE OFFICE AS SPECIFIED IN SUBSECTION (3) OF THIS SECTION, THERE IS  
2 ALLOWED TO A QUALIFIED EMPLOYER AN ANNUAL TALENT TAX CREDIT  
3 WITH RESPECT TO THE INCOME TAXES IMPOSED BY THIS ARTICLE IN AN  
4 AMOUNT DETERMINED BY THE OFFICE PURSUANT TO SUBSECTION (4) OF  
5 THIS SECTION.

6 (b) THE ONLY TALENT TAX CREDITS ALLOWED IN THE INCOME TAX  
7 YEAR COMMENCING ON OR AFTER JANUARY 1, 2019, BUT BEFORE JANUARY  
8 1, 2020, MAY BE FOR THOSE CREDIT CERTIFICATES ISSUED BY THE OFFICE  
9 FOR THE UNUSED PORTION OF THE TWO MILLION DOLLARS PER INCOME TAX  
10 YEAR LIMITATION ALLOWED IN SUBPARAGRAPH (II) OF PARAGRAPH (a) OF  
11 SUBSECTION (3) OF THIS SECTION.

12 (3) (a) (I) THE OFFICE MAY ISSUE CREDIT CERTIFICATES TO  
13 QUALIFIED EMPLOYERS FOR THE CREDIT ALLOWED IN SUBSECTION (2) OF  
14 THIS SECTION; EXCEPT THAT THE TOTAL AMOUNT OF THE ISSUED CREDIT  
15 CERTIFICATES MAY NOT EXCEED TWO MILLION DOLLARS PER INCOME TAX  
16 YEAR. AN EMPLOYER WHO HAS MULTIPLE NEW EMPLOYEES MAY SEEK A  
17 CREDIT CERTIFICATE FOR EACH NEW EMPLOYEE PER INCOME TAX YEAR;  
18 EXCEPT THAT THE OFFICE SHALL NOT ISSUE CREDIT CERTIFICATES  
19 TOTALING MORE THAN TWO HUNDRED THOUSAND DOLLARS PER QUALIFIED  
20 EMPLOYER PER INCOME TAX YEAR, UNLESS THE COMMISSION ISSUES A  
21 WAIVER AS SPECIFIED IN SUBSECTION (5) OF THIS SECTION.

22 (II) THE OFFICE, IN ITS DISCRETION, MAY ISSUE CREDIT  
23 CERTIFICATES TOTALING UP TO TWO MILLION DOLLARS PER INCOME TAX  
24 YEAR, AND THE UNUSED PORTION OF THE TWO MILLION DOLLARS PER  
25 INCOME TAX YEAR MAY BE USED BY THE OFFICE TO ISSUE MORE THAN TWO  
26 MILLION DOLLARS IN CREDIT CERTIFICATES IN FUTURE INCOME TAX  
27 YEARS, SO LONG AS THE OFFICE DOES NOT ISSUE CREDIT CERTIFICATES

1 TOTALING MORE THAN SIX MILLION DOLLARS DURING THE INCOME TAX  
2 YEARS FOR WHICH THE CREDIT ALLOWED IN SUBSECTION (2) OF THIS  
3 SECTION IS AVAILABLE.

4 (b) AN EMPLOYER SHALL SUBMIT A COMPLETE WRITTEN  
5 APPLICATION FOR CONDITIONAL APPROVAL TO THE OFFICE BY THE  
6 DEADLINE ESTABLISHED IN THE OFFICE'S GUIDELINES. THE APPLICATION  
7 MUST INCLUDE:

8 (I) IDENTIFICATION OF THE NEW EMPLOYEE AND THE NEW  
9 EMPLOYEE'S ACTUAL OR ANTICIPATED HIRE DATE;

10 (II) THE BASE SALARY OR HOURLY RATE THE NEW EMPLOYEE WILL  
11 BE PAID;

12 (III) DOCUMENTATION INDICATING THE NEW EMPLOYEE WILL BE  
13 WORKING FULL-TIME;

14 (IV) DOCUMENTATION INDICATING THAT THE NEW EMPLOYEE  
15 GRADUATED WITH AN APPROVED DEGREE NO EARLIER THAN DECEMBER  
16 31, 2010;

17 (V) DOCUMENTATION REGARDING THE QUALIFIED LOAN AND THE  
18 LENDER HOLDING THE LOAN;

19 (VI) DOCUMENTATION THAT ESTABLISHES THE EMPLOYER'S  
20 INTENDED AMOUNT OF QUALIFIED LOAN PAYMENTS MADE FOR THE NEW  
21 EMPLOYEE DURING THE CREDIT PERIOD, AS CALCULATED BY THE  
22 EMPLOYER; AND

23 (VII) DOCUMENTATION THAT SETS FORTH THE NEW EMPLOYEE'S  
24 JOB TITLE, SUMMARY JOB DESCRIPTION, AND AN EXPLANATION OF HOW  
25 THE NEW EMPLOYEE'S APPROVED DEGREE IS A DIRECT REQUIREMENT OR  
26 STRONG PREFERENCE FOR THE NEW EMPLOYEE'S POSITION.

27 (c) THE OFFICE SHALL DEVELOP GUIDELINES FOR THE

1 ADMINISTRATION OF THE ISSUANCE OF THE CREDIT CERTIFICATES FOR THE  
2 CREDIT ALLOWED IN THIS SECTION, INCLUDING APPLICATION  
3 REQUIREMENTS AND GUIDELINES REGARDING THE ISSUING OF THE CREDIT  
4 CERTIFICATE. THE GUIDELINES MUST BE POSTED ON THE OFFICE'S WEB SITE  
5 NO LATER THAN OCTOBER 1, 2015.

6 (4) (a) THE OFFICE SHALL REVIEW EACH APPLICATION FOR A  
7 CONDITIONAL APPROVAL SUBMITTED BY AN EMPLOYER. BASED ON THE  
8 APPLICATION SUBMITTED AND THE OFFICE'S GUIDELINES, THE OFFICE MAY  
9 OFFER CONDITIONAL APPROVAL TO AN EMPLOYER FOR A CREDIT  
10 CERTIFICATE. THE CONDITIONAL APPROVAL MUST INCLUDE THE SPECIFIC  
11 TERMS THAT MUST BE MET BY THE EMPLOYER TO QUALIFY FOR THE  
12 CREDIT.

13 (b) AN EMPLOYER WHO RECEIVES CONDITIONAL APPROVAL FOR A  
14 CREDIT ALLOWED IN THIS SECTION SHALL NOTIFY THE OFFICE PROMPTLY  
15 IF THE NEW EMPLOYEE IS EITHER NOT HIRED OR NOT RETAINED FOR THE  
16 CREDIT PERIOD, IN WHICH CASE THE CONDITIONAL APPROVAL MUST BE  
17 CANCELED. IN THE EVENT A CONDITIONAL APPROVAL IS CANCELED, THE  
18 OFFICE MAY OFFER A DIFFERENT CONDITIONAL APPROVAL TO AN  
19 EMPLOYER PURSUANT TO THE OFFICE'S GUIDELINES, SO LONG AS SUCH  
20 CONDITIONAL APPROVAL STILL MEETS THE LIMITATIONS SPECIFIED IN  
21 PARAGRAPH (a) OF SUBSECTION (3) OF THIS SECTION.

22 (c) THE EMPLOYER WHO RECEIVED CONDITIONAL APPROVAL AS  
23 SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (4) SHALL SUBMIT A  
24 REQUEST FOR THE ISSUANCE OF A CREDIT CERTIFICATE BY THE DEADLINES  
25 ESTABLISHED IN THE OFFICE'S GUIDELINES. THE REQUEST MUST INCLUDE  
26 ALL DOCUMENTATION NECESSARY TO CALCULATE THE CREDIT AS  
27 SPECIFIED IN PARAGRAPH (d) OF THIS SUBSECTION (4), INCLUDING:



1 (I) A LIST, INCLUDING PROOF, OF THE DATE AND AMOUNT OF ALL  
2 PAYMENTS MADE DIRECTLY BY THE EMPLOYER TO A LENDER FOR A  
3 QUALIFIED LOAN DURING THE CREDIT PERIOD;

4 (II) THE LENDER'S INFORMATION;

5 (III) THE NEW EMPLOYEE'S SOCIAL SECURITY NUMBER; AND

6 (IV) ANY OTHER INFORMATION AS REQUESTED BY THE OFFICE.

7 (d) IF THE OFFICE DETERMINES THE EMPLOYER IS A QUALIFIED  
8 EMPLOYER AND SUCH QUALIFIED EMPLOYER HAS PROVIDED ALL  
9 NECESSARY DOCUMENTATION, THE OFFICE SHALL CALCULATE THE  
10 AMOUNT OF THE CREDIT AS FIFTY PERCENT OF THE PAYMENTS MADE BY  
11 THE QUALIFIED EMPLOYER DIRECTLY TO LENDERS FOR QUALIFIED LOANS  
12 DURING THE RESPECTIVE CREDIT PERIOD, NOT TO EXCEED FIVE THOUSAND  
13 DOLLARS IN CREDITS PER NEW EMPLOYEE PER INCOME TAX YEAR AND NOT  
14 TO EXCEED FIFTY PERCENT OF THE INTENDED AMOUNT OF QUALIFIED LOAN  
15 PAYMENTS AS CALCULATED BY THE EMPLOYER PURSUANT TO  
16 SUBPARAGRAPH (VI) OF PARAGRAPH (b) OF SUBSECTION (3) OF THIS  
17 SECTION, AND SHALL ISSUE A CREDIT CERTIFICATE IN THAT AMOUNT TO  
18 THE QUALIFIED EMPLOYER. THE CREDIT CERTIFICATE MUST BE SUBMITTED  
19 BY THE QUALIFIED EMPLOYER TO THE DEPARTMENT WITH THE QUALIFIED  
20 EMPLOYER'S INCOME TAX RETURN FOR THE TAX YEAR THAT INCLUDES THE  
21 DECEMBER 31 OF THE CREDIT PERIOD FOR WHICH THE CREDIT CERTIFICATE  
22 IS ISSUED.

23 (5) (a) A QUALIFIED EMPLOYER MAY SEEK A WAIVER OF THE TWO  
24 HUNDRED THOUSAND DOLLARS PER QUALIFIED EMPLOYER, PER INCOME  
25 TAX YEAR, LIMITATION SPECIFIED IN SUBPARAGRAPH (I) OF PARAGRAPH (a)  
26 OF SUBSECTION (3) OF THIS SECTION BY COMPLETING A WRITTEN  
27 APPLICATION TO THE COLORADO ECONOMIC DEVELOPMENT COMMISSION

1 FOR PERMISSION TO CLAIM CREDITS IN EXCESS OF SUCH LIMITS FOR THE  
2 INCOME TAX YEARS IN WHICH THE CREDIT PERIODS END. THE APPLICATION  
3 FOR WAIVER MAY BE FOR MULTIPLE TAX YEARS AND CREDIT PERIODS;  
4 EXCEPT THAT AN EMPLOYER MUST STILL SUBMIT AN APPLICATION FOR  
5 CONDITIONAL APPROVAL AND REQUEST FOR CREDIT ISSUANCE ON AN  
6 ANNUAL BASIS AS SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (3) OF THIS  
7 SECTION AND PARAGRAPH (c) OF SUBSECTION (4) OF THIS SECTION,  
8 RESPECTIVELY. THE APPLICATION MUST INCLUDE AN EXPLANATION OF THE  
9 QUALIFIED EMPLOYER'S PLANS TO MAKE QUALIFIED LOAN PAYMENTS FOR  
10 ITS NEW EMPLOYEES IN EXCESS OF FOUR HUNDRED THOUSAND DOLLARS  
11 PER INCOME TAX YEAR AND ANY OTHER INFORMATION THE COMMISSION  
12 DEEMS NECESSARY. IN DECIDING WHETHER TO GRANT THE WAIVER OF THE  
13 LIMITATION, THE COMMISSION MUST CONSIDER THE ESTIMATED DEMAND  
14 FOR TAX CREDITS ALLOWED IN THIS SECTION FOR OTHER QUALIFIED  
15 EMPLOYERS WITHIN THE TWO MILLION DOLLARS PER INCOME TAX YEAR  
16 LIMITATION SET FORTH IN SUBPARAGRAPH (II) OF PARAGRAPH (a) OF  
17 SUBSECTION (3) OF THIS SECTION, AND THE IMPORTANCE OF THESE  
18 CREDITS IN INCENTIVIZING THE EMPLOYER SEEKING THE WAIVER TO  
19 RETAIN OR GROW JOBS IN COLORADO. THE QUALIFIED EMPLOYER'S  
20 APPLICATION MUST BE CONSIDERED AT A REGULARLY SCHEDULED  
21 MEETING OF THE COLORADO ECONOMIC DEVELOPMENT COMMISSION  
22 WHERE THE PUBLIC IS ALLOWED TO COMMENT.

23 (b) THE COLORADO ECONOMIC DEVELOPMENT COMMISSION MAY  
24 ALLOW ALL, PART, OR NONE OF THE CREDIT AMOUNT IN EXCESS OF THE  
25 TWO HUNDRED THOUSAND DOLLARS PER QUALIFIED EMPLOYER PER  
26 INCOME TAX YEAR LIMITATION SPECIFIED IN SUBPARAGRAPH (I) OF  
27 PARAGRAPH (a) OF SUBSECTION (3) OF THIS SECTION REQUESTED IN THE

1 QUALIFIED EMPLOYER'S WAIVER APPLICATION. THE COLORADO ECONOMIC  
2 DEVELOPMENT COMMISSION SHALL MAKE A RESOLUTION THAT SETS FORTH  
3 THE SPECIFIC MAXIMUM AMOUNT OF THE CREDIT THAT THE OFFICE MAY  
4 ISSUE TO THE QUALIFIED EMPLOYER FOR THE CREDIT PERIODS INCLUDED  
5 IN THE WAIVER APPLICATION. THE CREDIT CERTIFICATE MUST BE  
6 SUBMITTED BY THE QUALIFIED EMPLOYER TO THE DEPARTMENT OF  
7 REVENUE WITH THE QUALIFIED EMPLOYER'S INCOME TAX RETURN FOR THE  
8 TAX YEAR FOR WHICH THE CREDIT CERTIFICATE IS ISSUED.

9 (c) IN THE EVENT THE COLORADO ECONOMIC DEVELOPMENT  
10 COMMISSION APPROVES A QUALIFIED EMPLOYER'S APPLICATION TO WAIVE  
11 THE TWO HUNDRED THOUSAND DOLLAR PER QUALIFIED EMPLOYER  
12 LIMITATION SPECIFIED IN SUBPARAGRAPH (I) OF PARAGRAPH (a) OF  
13 SUBSECTION (3) OF THIS SECTION, THE COLORADO ECONOMIC  
14 DEVELOPMENT COMMISSION SHALL INCLUDE ITS DECISION IN THE  
15 COMMISSION'S ANNUAL REPORT REQUIRED TO BE PRESENTED TO THE  
16 GENERAL ASSEMBLY PURSUANT TO SECTION 24-46-104 (2), C.R.S.,  
17 INCLUDING THE QUALIFIED EMPLOYER'S NAME, THE AMOUNT OF THE  
18 CREDIT THAT THE COMMISSION ALLOWED THE QUALIFIED EMPLOYER TO  
19 CLAIM, AND THE COLORADO ECONOMIC DEVELOPMENT COMMISSION'S  
20 JUSTIFICATION FOR APPROVING THE APPLICATION.

21 (6) (a) THE AMOUNT OF THE CREDIT ALLOWED IN THIS SECTION  
22 USED AS AN OFFSET AGAINST INCOME TAXES IN ANY INCOME TAX YEAR  
23 MAY NOT EXCEED TWO HUNDRED THOUSAND DOLLARS.

24 (b) IF THE AMOUNT OF THE CREDIT ALLOWED IN THIS SECTION  
25 EXCEEDS THE AMOUNT OF INCOME TAXES OTHERWISE DUE ON THE  
26 QUALIFIED EMPLOYER'S INCOME IN THE INCOME TAX YEAR FOR WHICH THE  
27 CREDIT IS BEING CLAIMED, OR IF THE AMOUNT OF THE CREDIT ALLOWED IN

1 THIS SECTION USED AS AN OFFSET AGAINST INCOME TAX IS LIMITED  
2 PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (6), THE AMOUNT OF  
3 THE CREDIT NOT USED AS AN OFFSET AGAINST INCOME TAXES IN THE  
4 CURRENT INCOME TAX YEAR MAY BE CARRIED FORWARD AND USED AS A  
5 CREDIT AGAINST SUBSEQUENT YEARS' INCOME TAX LIABILITY FOR A  
6 PERIOD NOT TO EXCEED FIVE YEARS AND MUST BE APPLIED FIRST TO THE  
7 EARLIEST INCOME TAX YEARS POSSIBLE. ANY CREDIT REMAINING AFTER  
8 SAID PERIOD MAY NOT BE REFUNDED OR CREDITED TO THE QUALIFIED  
9 EMPLOYER.

10 (7) THE OFFICE OR ITS DESIGNEE MAY AUDIT A QUALIFIED  
11 EMPLOYER'S DOCUMENTATION UP TO TWELVE MONTHS FOLLOWING THE  
12 ISSUANCE OF ANY CREDIT CERTIFICATE.

13 (8) THE OFFICE SHALL INCLUDE INFORMATION REGARDING ALL  
14 CREDIT CERTIFICATES ISSUED PURSUANT TO THIS SECTION, INCLUDING  
15 CONDITIONAL APPROVALS, THE NAMES OF QUALIFIED EMPLOYERS, AND  
16 THE AMOUNTS ISSUED, IN THE COLORADO ECONOMIC DEVELOPMENT  
17 COMMISSION'S ANNUAL REPORT REQUIRED TO BE PRESENTED TO THE  
18 GENERAL ASSEMBLY PURSUANT TO SECTION 24-46-104 (2), C.R.S.

19 (9) THE OFFICE SHALL, IN A SUFFICIENTLY TIMELY MANNER TO  
20 ALLOW THE DEPARTMENT TO PROCESS RETURNS CLAIMING THE CREDIT  
21 ALLOWED BY THIS SECTION, PROVIDE THE DEPARTMENT WITH AN  
22 ELECTRONIC REPORT OF THE QUALIFIED EMPLOYERS WHO WERE ISSUED A  
23 CREDIT CERTIFICATE FOR THE PRECEDING CALENDAR YEAR OR ANY FISCAL  
24 YEAR ENDING IN THE PRECEDING CALENDAR YEAR, AND ANY CREDITS  
25 DISALLOWED PURSUANT TO PARAGRAPH (b) OF SUBSECTION (4) OF THIS  
26 SECTION FOR ANY YEAR, THAT INCLUDES THE FOLLOWING INFORMATION:

27 (a) THE QUALIFIED EMPLOYER'S NAME;

1 (b) THE QUALIFIED EMPLOYER'S COLORADO ACCOUNT NUMBER  
2 AND FEDERAL EMPLOYER IDENTIFICATION NUMBER;

3 (c) THE AMOUNT OF THE CREDIT CERTIFICATE; AND

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

8 (10) IF A QUALIFIED EMPLOYER RECEIVING A CREDIT ALLOWED IN  
9 THIS SECTION IS A PARTNERSHIP, LIMITED LIABILITY COMPANY, S  
10 CORPORATION, OR SIMILAR PASS-THROUGH ENTITY, THE QUALIFIED  
11 EMPLOYER MAY ALLOCATE THE CREDIT AMONG ITS PARTNERS,  
12 SHAREHOLDERS, MEMBERS, OR OTHER CONSTITUENT ENTITIES IN ANY  
13 MANNER AGREED TO BY SUCH PARTNERS, SHAREHOLDERS, MEMBERS, OR  
14 OTHER CONSTITUENT ENTITIES. THE QUALIFIED EMPLOYER SHALL CERTIFY  
15 TO THE OFFICE AND THE DEPARTMENT THE AMOUNT OF THE CREDIT  
16 ALLOCATED TO EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER  
17 CONSTITUENT ENTITY, AND THE OFFICE SHALL ISSUE CREDIT CERTIFICATES  
18 IN THE APPROPRIATE AMOUNTS TO EACH PARTNER, SHAREHOLDER,  
19 MEMBER, OR OTHER CONSTITUENT ENTITY. EACH PARTNER,  
20 SHAREHOLDER, MEMBER, OR OTHER CONSTITUENT ENTITY IS ALLOWED TO  
21 CLAIM SUCH AMOUNT SUBJECT TO ANY RESTRICTIONS SET FORTH IN THIS  
22 SECTION.

23 (11) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2023.

24 **SECTION 3. Safety clause.** The general assembly hereby finds,  
25 determines, and declares that this act is necessary for the immediate  
26 preservation of the public peace, health, and safety.