

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

INTRODUCED

LLS NO. 15-0167.01 Nicole Myers x4326

HOUSE BILL 15-1104

HOUSE SPONSORSHIP

Navarro,

SENATE SPONSORSHIP

(None),

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF A STATE INCOME TAX DEDUCTION FOR**
102 **CERTAIN UNREIMBURSED EXPENSES INCURRED BY ELIGIBLE**
103 **EDUCATORS.**

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>.)

In previous income tax years, the federal internal revenue code allowed eligible educators to deduct up to \$250 of any unreimbursed expenses that the educator paid or incurred for specified school supplies, materials, and equipment that the educator used in his or her classroom. The federal educator expense deduction expired in 2013 and is currently

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.*

unavailable for the 2014 or future income tax years.

The bill creates a state educator expense deduction and allows eligible educators to deduct the same unreimbursed expenses that they were previously allowed to deduct at the federal level from federal taxable income for state income tax purposes. Eligible educators may deduct the following amounts:

- ! For the 2016 income tax year, up to \$250;
- ! For the 2017 income tax year, up to \$500; and
- ! For the 2018 income tax year and each income tax year thereafter, up to \$750.

An eligible educator is defined as a person who is a kindergarten through 12th grade teacher, instructor, counselor, principal, or aide employed in a school for at least 900 hours during a school year.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-104, **add** (4)
3 (u) as 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 (u) (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
8 JANUARY 1, 2016, BUT BEFORE JANUARY 1, 2021, AND TO THE EXTENT
9 NOT OTHERWISE ALLOWED UNDER THE FEDERAL INTERNAL REVENUE CODE,
10 AN AMOUNT SPECIFIED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (u) FOR
11 AN ELIGIBLE EDUCATOR'S UNREIMBURSED EXPENSES INCURRED DURING
12 THE TAX YEAR FOR THE PURCHASE OF BOOKS; SUPPLIES; COMPUTER
13 EQUIPMENT, INCLUDING RELATED SOFTWARE AND SERVICES; AND OTHER
14 EQUIPMENT AND SUPPLEMENTARY MATERIALS THAT THE ELIGIBLE
15 EDUCATOR USES IN THE CLASSROOM. FOR COURSES IN HEALTH AND
16 PHYSICAL EDUCATION, UNREIMBURSED EXPENSES MAY BE INCLUDED ONLY
17 IF THE EXPENSES ARE FOR SUPPLIES THAT ARE DIRECTLY RELATED TO A
18 SPECIFIC CLASS IN HEALTH OR ATHLETICS.

1 (II) AN ELIGIBLE EDUCATOR MAY SUBTRACT THE FOLLOWING
2 AMOUNTS FROM FEDERAL TAXABLE INCOME:

3 (A) FOR THE 2016 INCOME TAX YEAR, UP TO TWO HUNDRED FIFTY
4 DOLLARS IF FILING INDIVIDUALLY AND UP TO FIVE HUNDRED DOLLARS IF
5 FILING JOINTLY AND BOTH TAXPAYERS ARE ELIGIBLE EDUCATORS; EXCEPT
6 THAT EACH ELIGIBLE EDUCATOR MAY NOT SUBTRACT MORE THAN TWO
7 HUNDRED FIFTY DOLLARS;

8 (B) FOR THE 2017 INCOME TAX YEAR, UP TO FIVE HUNDRED
9 DOLLARS IF FILING INDIVIDUALLY AND UP TO ONE THOUSAND DOLLARS IF
10 FILING JOINTLY AND BOTH TAXPAYERS ARE ELIGIBLE EDUCATORS; EXCEPT
11 THAT EACH ELIGIBLE EDUCATOR MAY NOT SUBTRACT MORE THAN FIVE
12 HUNDRED DOLLARS; AND

13 (C) FOR THE 2018 INCOME TAX YEAR AND EACH INCOME TAX YEAR
14 THEREAFTER, UP TO SEVEN HUNDRED FIFTY DOLLARS IF FILING
15 INDIVIDUALLY AND UP TO ONE THOUSAND FIVE HUNDRED DOLLARS IF
16 FILING JOINTLY AND BOTH TAXPAYERS ARE ELIGIBLE EDUCATORS; EXCEPT
17 THAT EACH ELIGIBLE EDUCATOR MAY NOT DEDUCT MORE THAN SEVEN
18 HUNDRED FIFTY DOLLARS.

19 (III) AS USED IN THIS PARAGRAPH (u), UNLESS THE CONTEXT
20 OTHERWISE REQUIRES:

21 (A) "ELIGIBLE EDUCATOR" MEANS AN INDIVIDUAL WHO IS A
22 KINDERGARTEN THROUGH TWELFTH GRADE TEACHER, INSTRUCTOR,
23 COUNSELOR, PRINCIPAL, OR AIDE EMPLOYED IN A SCHOOL FOR AT LEAST
24 NINE HUNDRED HOURS DURING A SCHOOL YEAR.

25 (B) "SCHOOL" MEANS A PUBLIC OR NONPUBLIC SCHOOL IN THE
26 STATE THAT PROVIDES ELEMENTARY OR SECONDARY EDUCATION FROM
27 KINDERGARTEN THROUGH THE TWELFTH GRADE.

1 (IV) THIS PARAGRAPH (u) IS REPEALED, EFFECTIVE JANUARY 1,
2 2022.

3 **SECTION 2. Act subject to petition - effective date.** This act
4 takes effect at 12:01 a.m. on the day following the expiration of the
5 ninety-day period after final adjournment of the general assembly (August
6 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a
7 referendum petition is filed pursuant to section 1 (3) of article V of the
8 state constitution against this act or an item, section, or part of this act
9 within such period, then the act, item, section, or part will not take effect
10 unless approved by the people at the general election to be held in
11 November 2016 and, in such case, will take effect on the date of the
12 official declaration of the vote thereon by the governor.