

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 15-0957.01 Esther van Mourik x4215

SENATE BILL 15-282

SENATE SPONSORSHIP

Scott and Johnston, Cadman, Scheffel

HOUSE SPONSORSHIP

Duran and Willett, DelGrosso

Senate Committees

State, Veterans, & Military Affairs
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE ESTABLISHMENT OF A RURAL JUMP-START PROGRAM**
102 **IN HIGHLY DISTRESSED COUNTIES OF THE STATE FOR NEW**
103 **BUSINESSES THAT BRING NEW JOBS TO THE STATE, AND, IN**
104 **CONNECTION THEREWITH, MAKING AN APPROPRIATIO.N**

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 the "Tax-friendly Zone Act" and requires the Colorado economic development commission (commission) to manage and oversee the program.

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.

SENATE
Amended 3rd Reading
May 5, 2015

SENATE
Amended 2nd Reading
May 4, 2015

The bill allows tax-friendly zones to be created in up to 30 of the state's highly distressed counties. Those highly distressed counties are determined by ranking the state's distressed counties from lowest to highest by the total sum of annual percentage change in each distressed county for population, employment, weekly wage, and the number of establishments. To be distressed, a county must meet 2 of 3 economic indicators related to change in employment, change in assessed value of all property, and the number of pupils eligible for free lunch.

The bill defines a tax-friendly zone as an area within the boundaries of a highly distressed county that is either:

- ! In one or more incorporated portions of the highly distressed county if the municipality provides the commission with a general resolution agreeing to provide incentive payments, exemptions, or credits to offset the imposition of certain municipal taxes for all new businesses in order to be a participant in the tax-friendly zone program;
- ! In one or more incorporated portions of the distressed county if the municipality provides the commission with a limited resolution that indicates the municipality agrees to only provide incentive payments, exemptions, or credits to offset the imposition of certain municipal taxes for a specific new business in order to be a limited participant in the tax-friendly zone program; or
- ! In the unincorporated portions of the highly distressed county.

If a new business establishes a relationship with a state institution of higher education in the tax-friendly zone and then locates in the zone, the new business is entitled to tax-friendly zone program benefits as follows:

- ! An income tax credit for the new business in an amount equal to 100% of the income taxes imposed on the income derived from the new business' activities in the tax-friendly zone for a specified period, and the specified period may be extended, subject to limitations, by the commission at the request of the new business;
- ! An income tax credit for the new business' employees in an amount equal to 100% of the income taxes imposed on the employees' wages paid by the new business for a specified period, and the specified period may be extended, subject to limitations, by the commission at the request of the new business;
- ! A sales and use tax refund on the purchase of all tangible personal property acquired by the new business and used exclusively within the tax-friendly zone for a specified

period, and the specified period may be extended, subject to limitations, by the commission at the request of the new business; and

- ! The elimination of the business personal property tax and incentive payments, exemptions, or refunds as determined by the county or municipality to eliminate any other tax liability imposed on the new business by the county and municipality.

The bill establishes requirements on the new business, the new employees, and the new hires, and sets forth application parameters for the state institution of higher education and the new business. State institutions of higher education include public postsecondary institutions governed by the state board for community colleges and occupational education. The bill also requires the commission to issue guidelines on a number of the details related to the administration of the program. The bill specifies that the guidelines issued by the commission must be reviewed by the office of legislative legal services as if such guidelines were rules subject to review pursuant to the "State Administrative Procedure Act".

The commission is required to annually review the economic stabilities of those counties determined to be not highly distressed to see if the county should be designated as highly distressed. Each highly distressed county retains its designation as a highly distressed county for 3 years, after which the commission will review the designation. If the commission determines that the county is no longer highly distressed, the new business and new employees in such county retain the tax-friendly program benefits for the period set forth in statute.

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

2 **SECTION 1.** In Colorado Revised Statutes, add article 30.5 to
3 title 39 as follows:

4 **ARTICLE 30.5**

5 **Rural Jump-Start Zone Act**

6 **39-30.5-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND
7 MAY BE CITED AS THE "RURAL JUMP-START ZONE ACT".

8 **39-30.5-102. Legislative declaration.** (1) THE GENERAL
9 ASSEMBLY HEREBY FINDS AND DECLARES THAT:

10 **(a) WHILE OVERALL THERE ARE IMPROVEMENTS TO THE**

1 COLORADO ECONOMY, THERE STILL EXISTS A SIGNIFICANT CONTRACTION
2 OF LOCAL ECONOMIES IN CERTAIN AREAS OF THE STATE;

3 (b) IMPORTANTLY, THOSE AREAS ARE EXPERIENCING INCREASED
4 ECONOMIC DOWNTURN AS MEASURED BY CHANGES IN SUCH FACTORS AS
5 POPULATION, EMPLOYMENT, WEEKLY WAGE, ASSESSED VALUE OF ALL
6 PROPERTY, AND CONCENTRATION OF PUPILS ELIGIBLE FOR FREE LUNCH;
7 AND

8 (c) COLORADO'S MANY DIVERSE ASPECTS ARE WHAT MAKE IT SUCH
9 A UNIQUE AND WONDERFUL STATE, WITH VARYING ECONOMIC SECTORS
10 AND REGIONS MAKING ITS STRENGTH GREATER THAN THE SUM OF ITS
11 PARTS. IT IS IMPERATIVE THAT ALL SECTORS OF THE STATE BE KEPT
12 INDEPENDENTLY STRONG AND BE GIVEN THE CHANCE TO IMPROVE,
13 PROSPER, AND CONTRIBUTE TO THE WHOLE, FROM WHICH ALL BENEFIT.
14 THE GENERAL ASSEMBLY IS COMMITTED TO REACHING OUT TO ALL SUCH
15 AREAS TO ENSURE THIS GOAL IS MET.

16 (2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT
17 ESTABLISHING CERTAIN RURAL JUMP-START ZONES IS BEST SUITED TO
18 BRING ABOUT THE ECONOMIC VITALITY SO CRITICALLY NEEDED IN THOSE
19 REGIONS.

20 (3) THE GENERAL ASSEMBLY FINDS THAT, BY ATTRACTING
21 BUSINESSES THAT ARE COMPLETELY NEW TO COLORADO, ECONOMIC
22 GROWTH WILL OCCUR IN DISTRESSED COUNTIES WITHOUT NEGATIVELY
23 IMPACTING OTHER AREAS OF THE STATE AND, WHILE CERTAIN TAXES, SUCH
24 AS BUSINESS PERSONAL PROPERTY TAXES, WILL NOT BE COLLECTED
25 WITHIN THE RURAL JUMP-START ZONE, THE NET IMPACT OF THOSE
26 UNCOLLECTED TAXES WILL RESULT IN A NET POSITIVE IMPACT TO THE
27 STATE, THE DISTRESSED COUNTY, AND THE INTERESTED MUNICIPALITY.

1 **39-30.5-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
2 CONTEXT OTHERWISE REQUIRES:

3 (1) "COLORADO ECONOMIC DEVELOPMENT COMMISSION" OR
4 "COMMISSION" MEANS THE COLORADO ECONOMIC DEVELOPMENT
5 COMMISSION CREATED IN SECTION 24-46-102, C.R.S.

6 (2) "CREDIT CERTIFICATE" MEANS A STATEMENT ISSUED BY THE
7 COMMISSION CERTIFYING THAT THE NEW BUSINESS OR NEW HIRE _____
8 QUALIFIES FOR AN INCOME TAX CREDIT ALLOWED IN SECTION 39-30.5-105.
9 THE CREDIT CERTIFICATE SHALL NOT SPECIFY THE AMOUNT OF THE
10 CREDIT, BUT MUST SPECIFY THAT THE NEW BUSINESS _____ OR NEW HIRE IS
11 ELIGIBLE FOR THE CREDIT.

12 (3) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

13 (4) "DISTRESSED COUNTY" MEANS A COUNTY WITH A POPULATION
14 OF LESS THAN TWO HUNDRED FIFTY THOUSAND AND THAT REFLECTS
15 INDICATORS OF ECONOMIC DISTRESS SUCH AS:

16 (a) PER CAPITA INCOME THAT IS SUBSTANTIALLY BELOW THE
17 STATEWIDE AVERAGE;

18 (b) LOCAL GROSS DOMESTIC PRODUCT OR SIMILAR PERFORMANCE
19 MEASURES THAT ARE SUBSTANTIALLY BELOW THE STATEWIDE AVERAGE
20 OVER THE PRECEDING FIVE-YEAR PERIOD;

21 (c) UNEMPLOYMENT LEVELS THAT ARE SUBSTANTIALLY ABOVE
22 THE STATEWIDE AVERAGE OVER THE PRECEDING FIVE-YEAR PERIOD;

23 (d) A NET LOSS OF PEOPLE OF WORKFORCE AGE MEASURED OVER
24 THE PRECEDING FIVE-YEAR PERIOD, OR A FAILURE TO RECOVER FROM A
25 LOSS OVER THE PRECEDING TEN-YEAR PERIOD; OR

26 (e) A COUNTYWIDE CONCENTRATION OF PUPILS ELIGIBLE FOR FREE
27 LUNCH PURSUANT TO THE FEDERAL "NATIONAL SCHOOL LUNCH ACT", 42

1 U.S.C. SEC. 1751 ET SEQ., GREATER THAN THE STATEWIDE AVERAGE
2 CONCENTRATION OF PUPILS ELIGIBLE FOR FREE LUNCH.

3 (5) "GUIDELINES" MEANS THE GUIDELINES DEVELOPED BY THE
4 COMMISSION AS SPECIFIED IN SECTION 39-30.5-104 (1).

5 (6) "MUNICIPALITY" MEANS A MUNICIPALITY AS DEFINED IN
6 SECTION 31-1-101 (6), C.R.S., WITH BOUNDARIES WHOLLY OR PARTLY
7 WITHIN THE DISTRESSED COUNTY'S BOUNDARIES.

8 (7) "NEW BUSINESS" MEANS A BUSINESS THAT:

9 (a) IS NOT OPERATING IN THE STATE AT THE TIME IT SUBMITS ITS
10 APPLICATION TO A STATE INSTITUTION OF HIGHER EDUCATION TO
11 PARTICIPATE IN THE RURAL JUMP-START ZONE PROGRAM;

12 (b) IS NOT MOVING EXISTING JOBS INTO THE RURAL JUMP-START
13 ZONE FROM ANOTHER AREA IN THE STATE;

14 (c) HIRES AT LEAST FIVE NEW HIRES;

15 (d) IS NOT SUBSTANTIALLY SIMILAR IN OPERATION TO AND DOES
16 NOT DIRECTLY COMPETE WITH THE CORE FUNCTION OF A BUSINESS THAT
17 IS OPERATING IN THE STATE AT THE TIME THE NEW BUSINESS SUBMITS ITS
18 APPLICATION TO A STATE INSTITUTION OF HIGHER EDUCATION TO
19 PARTICIPATE IN THE RURAL JUMP-START ZONE PROGRAM; AND

20 (e) ADDS TO THE ECONOMIC BASE AND EXPORTS GOODS AND
21 SERVICES OUTSIDE THE DISTRESSED COUNTY.

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23 (8) "NEW HIRE" MEANS AN INDIVIDUAL WHO HAS PERFORMED
24 LABOR OR SERVICES IN THE RURAL JUMP-START ZONE FOR THE NEW
25 BUSINESS FOR MORE THAN SIX MONTHS FROM THE DATE HIRED AND FOR
26 WHICH SUCH INDIVIDUAL RECEIVES A FEDERAL FORM W-2 AND WHERE THE
27 JOB PERFORMED BY THE INDIVIDUAL:

1 (a) IS EITHER A FULL-TIME, WAGE-PAYING JOB OR IS EQUIVALENT
2 TO A FULL-TIME, WAGE-PAYING JOB REQUIRING AT LEAST THIRTY-FIVE
3 HOURS PER WEEK; AND

4 (b) HAS A SALARY OR COMPENSATION EQUAL TO OR GREATER
5 THAN THE COUNTY AVERAGE ANNUAL WAGE.

6 (9) "RURAL JUMP-START ZONE" MEANS AN AREA WITHIN THE
7 BOUNDARIES OF A DISTRESSED COUNTY THAT IS EITHER:

8 (a) IN ONE OR MORE INCORPORATED PORTIONS OF THE DISTRESSED
9 COUNTY IF THE MUNICIPALITY PROVIDES THE COMMISSION WITH A
10 GENERAL RESOLUTION AS DESCRIBED IN SECTION 39-30.5-106 AGREEING
11 TO PROVIDE INCENTIVE PAYMENTS, EXEMPTIONS, OR CREDITS TO OFFSET
12 THE IMPOSITION OF BUSINESS PERSONAL PROPERTY TAX ON AND, IF THE
13 MUNICIPALITY WISHES, TO OFFSET THE IMPOSITION OF ANY OTHER
14 MUNICIPAL TAX ON ALL NEW BUSINESSES IN ORDER TO BE A PARTICIPANT
15 IN THE RURAL JUMP-START ZONE PROGRAM;

16 (b) IN ONE OR MORE INCORPORATED PORTIONS OF THE DISTRESSED
17 COUNTY IF THE MUNICIPALITY PROVIDES THE COMMISSION WITH A LIMITED
18 RESOLUTION AS DESCRIBED IN SECTION 39-30.5-106 THAT INDICATES THE
19 MUNICIPALITY AGREES TO ONLY PROVIDE INCENTIVE PAYMENTS,
20 EXEMPTIONS, OR CREDITS TO OFFSET THE IMPOSITION OF BUSINESS
21 PERSONAL PROPERTY TAX ON AND, IF THE MUNICIPALITY WISHES, TO
22 OFFSET THE IMPOSITION OF ANY OTHER MUNICIPAL TAX ON A SPECIFIC NEW
23 BUSINESS IN ORDER TO BE A LIMITED PARTICIPANT IN THE RURAL
24 JUMP-START ZONE PROGRAM; OR

25 (c) IN THE UNINCORPORATED PORTIONS OF THE DISTRESSED
26 COUNTY.

27 (10) "RURAL JUMP-START ZONE PROGRAM" MEANS THE RURAL

1 JUMP-START ZONE PROGRAM CREATED IN THIS ARTICLE.

2 (11) "STATE INSTITUTION OF HIGHER EDUCATION" MEANS A STATE
3 INSTITUTION OF HIGHER EDUCATION AS DEFINED IN SECTION 23-18-102
4 (10), C.R.S., A JUNIOR COLLEGE, OR AN AREA VOCATIONAL SCHOOL THAT:

5 (a) HAS A CAMPUS LOCATED IN THE DISTRESSED COUNTY; OR

6 (b) INCLUDES A DISTRESSED COUNTY IN THE COMMUNITY
7 COLLEGE'S SERVICE AREA OR THE REGIONAL EDUCATION PROVIDER'S
8 SERVICE AREA.

9 **39-30.5-104. Rural jump-start zone program requirements -**
10 **commission guidelines.** (1) (a) THE COMMISSION SHALL DEVELOP
11 GUIDELINES FOR THE ADMINISTRATION OF THE RURAL JUMP-START ZONE
12 PROGRAM CREATED IN THIS ARTICLE, INCLUDING, BUT NOT LIMITED TO:

13 (I) APPLICATION REQUIREMENTS;

14 (II) GUIDELINES REGARDING THE ISSUING OF CREDIT
15 CERTIFICATES; AND

16 (III) GUIDELINES CONCERNING THE PROCESS BY WHICH THE
17 COMMISSION WILL DETERMINE WHETHER A NEW BUSINESS IS NOT
18 SUBSTANTIALLY SIMILAR IN OPERATION TO AND DOES NOT DIRECTLY
19 COMPETE WITH THE CORE FUNCTION OF A BUSINESS THAT IS OPERATING IN
20 THE STATE AT THE TIME THE NEW BUSINESS SUBMITS ITS APPLICATION TO
21 A STATE INSTITUTION OF HIGHER EDUCATION TO PARTICIPATE IN THE
22 RURAL JUMP-START ZONE PROGRAM.

23 (b) THE GUIDELINES MUST BE POSTED ON THE COLORADO OFFICE
24 OF ECONOMIC DEVELOPMENT'S WEB SITE NO LATER THAN DECEMBER 1,
25 2015.

26 (c) IN DEVELOPING THE GUIDELINES, THE COMMISSION SHALL
27 FOLLOW THE POLICIES OF THE COLORADO COMMISSION ON HIGHER

1 EDUCATION REGARDING SERVICE AREAS AND REGIONAL EDUCATION
2 PROVIDERS.

3 (2) NO LATER THAN DECEMBER 1, 2015, THE COMMISSION SHALL
4 DETERMINE WHICH OF THE STATE'S COUNTIES ARE DISTRESSED COUNTIES.
5 IF A DISTRESSED COUNTY IS INTERESTED IN PARTICIPATING IN THE RURAL
6 JUMP-START ZONE PROGRAM, THE DISTRESSED COUNTY SHALL PROVIDE
7 THE COMMISSION WITH A RESOLUTION DESCRIBED IN SECTION 39-30.5-106.

8 (3) EACH DISTRESSED COUNTY SHALL RETAIN ITS DESIGNATION AS
9 A DISTRESSED COUNTY FOR THREE YEARS FROM THE DATE OF THE
10 DESIGNATION. AFTER THE THREE-YEAR PERIOD, THE COMMISSION SHALL
11 REVIEW THE DESIGNATION. IF THE COMMISSION DETERMINES THAT THE
12 COUNTY IS NO LONGER DISTRESSED, THE NEW BUSINESS AND THE NEW
13 HIRES __ RETAIN THE BENEFITS SPECIFIED IN SECTION 39-30.5-105 FOR THE
14 REMAINING PORTION OF THE FOUR-YEAR PERIOD OUTLINED IN THAT
15 SECTION, OR THE REMAINING EXTENDED PERIOD IF THE COMMISSION
16 GRANTS AN EXTENSION OF THE PERIOD PURSUANT TO SECTION 39-30.5-105
17 (1) (a) (II), (2) (a) (II), OR (3) (b).

18 (4) (a) A STATE INSTITUTION OF HIGHER EDUCATION INTENDING TO
19 PARTICIPATE IN THE RURAL JUMP-START ZONE PROGRAM SHALL ADOPT A
20 CONFLICT OF INTEREST POLICY. THE CONFLICT OF INTEREST POLICY MUST
21 PROVIDE THAT:

22 (I) A REPRESENTATIVE OF THE STATE INSTITUTION OF HIGHER
23 EDUCATION MAY NOT USE THE RELATIONSHIP BETWEEN THE STATE
24 INSTITUTION OF HIGHER EDUCATION AND THE NEW BUSINESS AS A MEANS
25 FOR INUREMENT OR PRIVATE BENEFIT TO THE REPRESENTATIVE OF THE
26 STATE INSTITUTION OF HIGHER EDUCATION, ANY RELATIVE OF SUCH
27 REPRESENTATIVE, OR ANY BUSINESS INTERESTS OF SUCH REPRESENTATIVE;

1 (II) A PERSON WHO ENGAGES IN THE BUSINESS OF SELLING GOODS
2 OR SERVICES TO A STATE INSTITUTION OF HIGHER EDUCATION, AN
3 EMPLOYEE OF SUCH PERSON, OR A PERSON WITH A BUSINESS INTEREST IN
4 SUCH PERSON'S BUSINESS SHALL NOT VOTE ON OR PARTICIPATE IN THE
5 ADMINISTRATION BY THE STATE INSTITUTION OF HIGHER EDUCATION OF
6 ANY TRANSACTION WITH SUCH BUSINESS; AND

7 (III) (A) UPON BECOMING AWARE OF AN ACTUAL OR POTENTIAL
8 CONFLICT OF INTEREST, A REPRESENTATIVE OF THE STATE INSTITUTION OF
9 HIGHER EDUCATION SHALL ADVISE THE CHIEF ACADEMIC OFFICERS OR
10 EXECUTIVE DIRECTOR OF THE INSTITUTION OF THE CONFLICT.

11 (B) EACH STATE INSTITUTION OF HIGHER EDUCATION SHALL
12 MAINTAIN A WRITTEN RECORD OF ALL DISCLOSURES MADE PURSUANT TO
13 SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (III).

14 (C) BY JANUARY 31, 2016, AND BY JANUARY 31 OF EACH YEAR
15 THEREAFTER, A STATE INSTITUTION OF HIGHER EDUCATION SHALL PROVIDE
16 THE RECORD MAINTAINED UNDER SUB-SUBPARAGRAPH (B) OF THIS
17 SUBPARAGRAPH (III) TO THE COMMISSION.

18 (b) FOR THE PURPOSES OF A CONFLICT-OF-INTEREST POLICY
19 DEVELOPED UNDER PARAGRAPH (a) OF THIS SUBSECTION (4):

20 (I) "BUSINESS INTEREST" MEANS THAT A REPRESENTATIVE:

21 (A) OWNS OR CONTROLS TEN PERCENT OR MORE OF THE STOCK OF
22 THE ENTITY; OR

23 (B) SERVES AS AN OFFICER, DIRECTOR, OR PARTNER OF THE
24 ENTITY.

25 (II) "RELATIVE" MEANS ANY PERSON LIVING IN THE SAME
26 HOUSEHOLD AS THE REPRESENTATIVE OF THE STATE INSTITUTION OF
27 HIGHER EDUCATION, ANY PERSON WHO IS A DIRECT DESCENDANT OF THE

1 REPRESENTATIVE'S GRANDPARENTS, OR THE SPOUSE OF SUCH
2 REPRESENTATIVE.

3 (III) "REPRESENTATIVE OF THE STATE INSTITUTION OF HIGHER
4 EDUCATION" MEANS ANY EMPLOYEE WITH DECISION-MAKING AUTHORITY
5 OVER THE RURAL JUMP-START ZONE PROGRAM.

6 (5) A NEW BUSINESS SHALL APPLY TO A STATE INSTITUTION OF
7 HIGHER EDUCATION TO PARTICIPATE IN A RURAL JUMP-START ZONE
8 PROGRAM. THE STATE INSTITUTION OF HIGHER EDUCATION SHALL REQUIRE
9 THE NEW BUSINESS TO PROVIDE DOCUMENTATION THAT THE NEW BUSINESS
10 MEETS THE DEFINITION OF NEW BUSINESS AS SPECIFIED IN SECTION
11 39-30.5-103 (7) AND THAT THE NEW HIRES WILL MEET THE DEFINITION OF
12 NEW HIRE AS SPECIFIED IN SECTION 39-30.5-103 (8). IF THE STATE
13 INSTITUTION OF HIGHER EDUCATION APPROVES THE NEW BUSINESS, THEN
14 THE STATE INSTITUTION OF HIGHER EDUCATION SHALL APPLY TO THE
15 COMMISSION FOR THE APPROVAL OF A RURAL JUMP-START ZONE AS
16 SPECIFIED IN SUBSECTION (6) OF THIS SECTION AND APPROVAL OF THE NEW
17 BUSINESS FOR THE RURAL JUMP-START ZONE PROGRAM BENEFITS AS
18 SPECIFIED IN SUBSECTION (7) OF THIS SECTION.

19 (6) (a) UPON APPROVING A NEW BUSINESS AS SPECIFIED IN
20 SUBSECTION (5) OF THIS SECTION, THE STATE INSTITUTION OF HIGHER
21 EDUCATION SHALL SUBMIT A COMPLETE WRITTEN APPLICATION FOR
22 APPROVAL FOR A RURAL JUMP-START ZONE TO THE COMMISSION BY THE
23 DEADLINE ESTABLISHED IN THE COMMISSION'S GUIDELINES. THE
24 APPLICATION MUST INCLUDE:

25 (I) IDENTIFICATION OF THE STATE INSTITUTION OF HIGHER
26 EDUCATION AND IDENTIFICATION OF EITHER THE DISTRESSED COUNTY IN
27 WHICH A CAMPUS IS LOCATED OR THE DISTRESSED COUNTY THAT IS

1 INCLUDED IN THE COMMUNITY COLLEGE'S SERVICE AREA OR THE REGIONAL
2 EDUCATION PROVIDER'S SERVICE AREA;

3 (II) IDENTIFICATION OF THE NEW BUSINESS AND DOCUMENTATION
4 INDICATING THAT REQUIREMENTS FOR THE NEW BUSINESS HAVE BEEN MET,
5 INCLUDING AN ESTIMATE OF THE NUMBER OF NEW HIRES THAT THE NEW
6 BUSINESS ANTICIPATES IT WILL HIRE;

7 (III) SATISFACTORY DOCUMENTATION THAT THERE EXISTS A
8 RELATIONSHIP BETWEEN THE NEW BUSINESS AND THE STATE INSTITUTION
9 OF HIGHER EDUCATION. SUCH DOCUMENTATION MUST SHOW THAT:

10 (A) THE RELATIONSHIP WILL RESULT IN POSITIVE BENEFITS TO THE
11 COMMUNITY AND THE LOCAL ECONOMY; AND

12 (B) THE MISSION AND ACTIVITIES OF THE NEW BUSINESS ALIGN
13 WITH OR FURTHER THE ACADEMIC MISSION OF THE STATE INSTITUTION OF
14 HIGHER EDUCATION.

15 (IV) IDENTIFICATION OF THE MUNICIPALITIES WITH BOUNDARIES
16 WHOLLY OR PARTLY WITHIN THE DISTRESSED COUNTY'S BOUNDARIES;

17 (V) A RESOLUTION AS DESCRIBED IN SECTION 39-30.5-106 FROM
18 EACH INTERESTED MUNICIPALITY;

19 (VI) A DESCRIPTION OF THE RURAL JUMP-START ZONE
20 BOUNDARIES; AND

21 (VII) ANY OTHER INFORMATION THAT THE COMMISSION DEEMS
22 NECESSARY AS SPECIFIED IN THE COMMISSION'S GUIDELINES.

23 (b) A STATE INSTITUTION OF HIGHER EDUCATION MAY ALSO
24 SUBMIT A COMPLETE WRITTEN APPLICATION FOR APPROVAL FOR A RURAL
25 JUMP-START ZONE TO THE COMMISSION BY THE DEADLINES ESTABLISHED
26 IN THE COMMISSION'S GUIDELINES WHEN SUCH STATE INSTITUTION OF
27 HIGHER EDUCATION HAS NOT YET APPROVED A NEW BUSINESS AS

1 SPECIFIED IN SUBSECTION (5) OF THIS SECTION. IN THIS CASE, THE
2 APPLICATION MUST INCLUDE:

3 (I) IDENTIFICATION OF THE STATE INSTITUTION OF HIGHER
4 EDUCATION AND IDENTIFICATION OF EITHER THE DISTRESSED COUNTY IN
5 WHICH A CAMPUS IS LOCATED OR THE DISTRESSED COUNTY THAT IS
6 INCLUDED IN THE COMMUNITY COLLEGE'S SERVICE AREA OR THE REGIONAL
7 EDUCATION PROVIDER'S SERVICE AREA;

8 (II) IDENTIFICATION OF THE MUNICIPALITIES WITH BOUNDARIES
9 WHOLLY OR PARTLY WITHIN THE DISTRESSED COUNTY'S BOUNDARIES;

10 (III) A RESOLUTION AS DESCRIBED IN SECTION 39-30.5-106 FROM
11 EACH INTERESTED MUNICIPALITY;

12 (IV) A DESCRIPTION OF THE RURAL JUMP-START ZONE
13 BOUNDARIES; AND

14 (V) ANY OTHER INFORMATION THAT THE COMMISSION DEEMS
15 NECESSARY AS SPECIFIED IN THE COMMISSION'S GUIDELINES.

16 (7) (a) _____ THE COMMISSION SHALL, AT A PUBLIC MEETING
17 PROPERLY NOTICED, REVIEW EACH APPLICATION FOR A RURAL JUMP-START
18 ZONE SUBMITTED BY A STATE INSTITUTION OF HIGHER EDUCATION. BASED
19 ON THE APPLICATION SUBMITTED AND THE COMMISSION'S GUIDELINES, THE
20 COMMISSION MAY APPROVE THE RURAL JUMP-START ZONE AND MAY
21 APPROVE THE NEW BUSINESS FOR THE RURAL JUMP-START ZONE PROGRAM
22 BENEFITS SPECIFIED IN SECTION 39-30.5-105; EXCEPT THAT THE
23 COMMISSION MAY NOT APPROVE MORE THAN THREE RURAL JUMP-START
24 ZONES FOR THE 2016 CALENDAR YEAR AND MAY NOT APPROVE ANY RURAL
25 JUMP-START ZONES OR APPROVE ANY NEW BUSINESSES FOR THE RURAL
26 JUMP-START ZONE PROGRAM BENEFITS ON AND AFTER JANUARY 1, 2021.
27 THE COMMISSION MAY ONLY APPROVE A NEW BUSINESS FOR THE RURAL

1 JUMP-START ZONE PROGRAM BENEFITS IF THE COMMISSION IS SATISFIED
2 THAT THE NEW BUSINESS MEETS THE DEFINITION OF NEW BUSINESS AS
3 SPECIFIED IN SECTION 39-30.5-103 (7), THAT THE NEW HIRES WILL MEET
4 THE DEFINITION OF NEW HIRE AS SPECIFIED IN SECTION 39-30.5-103 (8),
5 AND THAT THE NEW BUSINESS WILL BE LOCATED IN THE RURAL
6 JUMP-START ZONE FOR WHICH THE STATE INSTITUTION OF HIGHER
7 EDUCATION SOUGHT APPROVAL.

8 (b) (I) A NEW BUSINESS THAT RECEIVES APPROVAL AS SPECIFIED
9 IN PARAGRAPH (a) OF THIS SUBSECTION (7) FOR THE RURAL JUMP-START
10 ZONE PROGRAM BENEFITS MUST SUBMIT A REQUEST FOR THE ISSUANCE OF
11 A CREDIT CERTIFICATE BY THE DEADLINES ESTABLISHED IN THE
12 COMMISSION'S GUIDELINES. THE REQUEST MUST INCLUDE AN ESTIMATED
13 AMOUNT, AS CALCULATED BY THE NEW BUSINESS, OF THE INCOME TAX
14 CREDITS FOR THE NEW BUSINESS AND ANY ___ NEW HIRES AND THE SALES
15 AND USE TAX REFUNDS ALLOWED IN SECTION 39-30.5-105 AND AN
16 ESTIMATED AMOUNT, AS CALCULATED BY THE NEW BUSINESS, OF
17 INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS PROVIDED BY LOCAL
18 GOVERNMENTS AS SPECIFIED IN SECTION 39-30.5-106.

19 (II) THE COMMISSION SHALL NOT ISSUE MORE THAN A TOTAL OF
20 TWO HUNDRED CREDIT CERTIFICATES IN ONE INCOME TAX YEAR FOR ALL
21 ___ NEW HIRES EMPLOYED BY ALL NEW BUSINESSES IN EACH RURAL
22 JUMP-START ZONE THAT RECEIVE APPROVAL AS SPECIFIED IN PARAGRAPH
23 (a) OF THIS SUBSECTION (7); EXCEPT THAT THE COMMISSION HAS THE
24 DISCRETION TO INCREASE THIS LIMIT TO THREE HUNDRED CREDIT
25 CERTIFICATES IF THE NEW BUSINESS IS IN ONE OF THE FOURTEEN
26 INDUSTRIES THAT THE COMMISSION TARGETS FOR ECONOMIC
27 DEVELOPMENT IN THE STATE.

1 (III) IF THE BENEFIT IS FOR ___ NEW HIRES, THE COMMISSION SHALL
2 PROVIDE THE CREDIT CERTIFICATES FOR SUCH ___ NEW HIRES DIRECTLY TO
3 THE NEW BUSINESS, AND THE NEW BUSINESS SHALL PROVIDE A COPY OF
4 THE CREDIT CERTIFICATE TO THE ___ NEW HIRE WITH THEIR FEDERAL FORM
5 W-2.

6 (IV) IF THE COMMISSION DETERMINES THE NEW BUSINESS OR NEW
7 HIRE NO LONGER MEETS THE REQUIREMENTS SET FORTH IN THIS ARTICLE,
8 THE COMMISSION SHALL NOT ISSUE CREDIT CERTIFICATES FOR THE INCOME
9 TAX CREDITS ALLOWED IN SECTION 39-30.5-105 (1) AND (2) AND SHALL
10 NOT NOTIFY THE DEPARTMENT THAT THE NEW BUSINESS IS ELIGIBLE FOR
11 THE SALES AND USE TAX REFUND ALLOWED IN SECTION 39-30.5-105 (3).

12 (8) THE COMMISSION MAY REVIEW A NEW BUSINESS ___ OR NEW
13 HIRE UP TO TWELVE MONTHS FOLLOWING THE ISSUANCE OF ANY CREDIT
14 CERTIFICATES TO ENSURE THE REQUIREMENTS IN THIS ARTICLE ARE BEING
15 MET.

16 (9) THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT CREATED
17 IN SECTION 24-48.5-101, C.R.S., MAY MAKE RECOMMENDATIONS TO THE
18 COMMISSION REGARDING ANY OF THE COMMISSION'S DUTIES AND
19 RESPONSIBILITIES OUTLINED IN THIS ARTICLE, MAY PROVIDE STAFF
20 ASSISTANCE TO THE COMMISSION, AND MAY ASSIST THE COMMISSION IN
21 ADMINISTERING THE PROVISIONS OF THIS ARTICLE.

22 **39-30.5-105. Rural jump-start zone program benefits. (1) New**
23 **business income tax credit. (a) (I) IF A NEW BUSINESS LOCATES IN A**
24 **RURAL JUMP-START ZONE DURING THE INCOME TAX YEARS COMMENCING**
25 **ON OR AFTER JANUARY 1, 2016, BUT BEFORE JANUARY 1, 2021, AND THE**
26 **COMMISSION HAS APPROVED THE NEW BUSINESS FOR THE RURAL**
27 **JUMP-START ZONE PROGRAM BENEFITS AS SPECIFIED IN SECTION**

1 39-30.5-104 (7) (a), THEN EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF
2 THIS PARAGRAPH (a), THE NEW BUSINESS IS ENTITLED TO RECEIVE AN
3 ANNUAL INCOME TAX CREDIT IN AN AMOUNT EQUAL TO ONE HUNDRED
4 PERCENT OF THE INCOME TAXES IMPOSED BY ARTICLE 22 OF THIS TITLE ON
5 THE INCOME DERIVED FROM ITS ACTIVITIES IN THE RURAL JUMP-START
6 ZONE FOR FOUR CONSECUTIVE INCOME TAX YEARS BEGINNING WITH THE
7 FIRST INCOME TAX YEAR DESIGNATED BY THE COMMISSION IN THE FIRST
8 CREDIT CERTIFICATE. THE COMMISSION SHALL CONDUCT AN ANNUAL
9 REVIEW TO VERIFY THAT THE NEW BUSINESS CONTINUES TO MEET THE
10 REQUIREMENTS SET FORTH IN THIS ARTICLE AND SHALL ISSUE A CREDIT
11 CERTIFICATE TO THE NEW BUSINESS FOR EVERY INCOME TAX YEAR DURING
12 THE FOUR-YEAR PERIOD ONLY IF THE COMMISSION IS SATISFIED THE
13 REQUIREMENTS ARE BEING MET.

14 (II) A NEW BUSINESS MAY SEEK AN EXTENSION OF THE FOUR-YEAR
15 BENEFITS PERIOD SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (a)
16 BY COMPLETING A WRITTEN APPLICATION TO THE COMMISSION. THE
17 EXTENSION MAY NOT EXCEED AN ADDITIONAL FOUR YEARS. THE
18 APPLICATION FOR EXTENSION MUST INCLUDE AN EXPLANATION OF THE
19 NEW BUSINESS' NEED FOR THE EXTENSION AND ANY OTHER INFORMATION
20 THE COMMISSION DEEMS NECESSARY. IN DECIDING WHETHER TO GRANT
21 THE EXTENSION, THE COMMISSION MUST CONSIDER THE STATE OF THE
22 ECONOMY IN THE RURAL JUMP-START ZONE, THE ESTIMATED DEMAND FOR
23 TAX CREDITS ALLOWED IN THIS SECTION FOR OTHER NEW BUSINESSES, AND
24 THE IMPORTANCE OF THESE CREDITS IN INCENTIVIZING THE NEW BUSINESS.
25 THE EXTENSION APPLICATION MUST BE CONSIDERED AT A REGULARLY
26 SCHEDULED MEETING OF THE COMMISSION WHERE THE PUBLIC IS ALLOWED
27 TO COMMENT. _____

1 (b) TO CLAIM THE INCOME TAX CREDIT ALLOWED IN THIS SECTION,
2 THE NEW BUSINESS SHALL ATTACH A COPY OF THE CREDIT CERTIFICATE TO
3 ITS STATE INCOME TAX RETURN. NO TAX CREDIT IS ALLOWED UNDER THIS
4 SECTION UNLESS THE NEW BUSINESS PROVIDES THE COPY OF THE CREDIT
5 CERTIFICATE WITH ITS FILED STATE INCOME TAX RETURN.

6 (c) IF A NEW BUSINESS HAS INCOME BOTH FROM OPERATIONS
7 WITHIN THE RURAL JUMP-START ZONE AND OPERATIONS OUTSIDE OF THE
8 RURAL JUMP-START ZONE, THE NEW BUSINESS SHALL APPORTION ITS
9 INCOME BETWEEN THE OPERATIONS WITHIN AND OUTSIDE THE RURAL
10 JUMP-START ZONE IN ACCORDANCE WITH RULES PROMULGATED BY THE
11 DEPARTMENT IN ORDER TO CALCULATE THE AMOUNT OF INCOME TAX
12 CREDIT. SUCH RULES SHALL CALCULATE THE VALUE OF THE CREDIT, AS
13 NEARLY AS PRACTICABLE, TO BE EQUAL TO THE TAX DUE ON THE INCOME
14 GENERATED BY THE NEW BUSINESS THAT RELATES TO ITS ACTIVITIES IN
15 THE RURAL JUMP-START ZONE ON THE BASIS OF THE NEW BUSINESS'
16 PROPERTY AND PAYROLL IN THE RURAL JUMP-START ZONE RELATIVE TO ITS
17 PROPERTY AND PAYROLL EVERYWHERE.

18 (d) THE COMMISSION SHALL, IN A SUFFICIENTLY TIMELY MANNER
19 TO ALLOW THE DEPARTMENT TO PROCESS RETURNS CLAIMING THE INCOME
20 TAX CREDITS ALLOWED BY THIS SECTION, PROVIDE THE DEPARTMENT WITH
21 AN ELECTRONIC REPORT OF EACH NEW BUSINESS THAT THE COMMISSION
22 APPROVED FOR THE RURAL JUMP-START ZONE PROGRAM BENEFITS AS
23 SPECIFIED IN SECTION 39-30.5-104 (7) (a) FOR THE PRECEDING CALENDAR
24 YEAR THAT INCLUDES THE FOLLOWING INFORMATION:

- 25 (I) THE TAXPAYER'S NAME; AND
- 26 (II) THE TAXPAYER'S SOCIAL SECURITY NUMBER OR THE
- 27 TAXPAYER'S COLORADO ACCOUNT NUMBER AND FEDERAL EMPLOYER

1 IDENTIFICATION NUMBER.

2 (e) IF A NEW BUSINESS RECEIVING AN INCOME TAX CREDIT
3 ALLOWED IN THIS SUBSECTION (1) IS A PARTNERSHIP, LIMITED LIABILITY
4 COMPANY, S CORPORATION, OR SIMILAR PASS-THROUGH ENTITY, THE
5 COMMISSION SHALL ISSUE CREDIT CERTIFICATES THAT ALLOCATE THE
6 CREDIT AMONG THE NEW BUSINESS' PARTNERS, SHAREHOLDERS, MEMBERS,
7 OR OTHER CONSTITUENT ENTITIES IN ACCORDANCE WITH THEIR OWNERSHIP
8 INTERESTS. THE NEW BUSINESS SHALL CERTIFY TO THE COMMISSION, AND
9 THE COMMISSION SHALL PROVIDE TO THE DEPARTMENT NO LATER THAN
10 THE JANUARY 15 FOLLOWING EACH INCOME TAX YEAR FOR WHICH THE
11 NEW BUSINESS IS CLAIMING A CREDIT, THE IDENTITY AND OWNERSHIP
12 PERCENTAGE, INCLUDING SUCH IDENTIFYING INFORMATION AS THE
13 DEPARTMENT MAY REQUIRE, OF EACH PARTNER, SHAREHOLDER, MEMBER,
14 OR OTHER CONSTITUENT ENTITY OF THE NEW BUSINESS.

15 (2) New **hire income tax credit.** (a) (I) EXCEPT AS PROVIDED
16 IN SECTION 39-30.5-104 (7) (b) (II) AND SUBPARAGRAPH (II) OF THIS
17 PARAGRAPH (a), IF A NEW HIRE IS EMPLOYED BY A NEW BUSINESS, AND
18 THE COMMISSION HAS APPROVED THE NEW BUSINESS FOR THE RURAL
19 JUMP-START ZONE PROGRAM BENEFITS AS SPECIFIED IN SECTION
20 39-30.5-104 (7) (a), FOR INCOME TAX YEARS COMMENCING ON OR AFTER
21 JANUARY 1, 2016, BUT BEFORE JANUARY 1, 2021, NEW HIRES ARE
22 ENTITLED TO RECEIVE AN INCOME TAX CREDIT IN AN AMOUNT EQUAL TO
23 ONE HUNDRED PERCENT OF THE INCOME TAXES IMPOSED BY ARTICLE 22 OF
24 THIS TITLE ON THE NEW HIRE'S WAGES PAID BY THE NEW BUSINESS FOR
25 WORK PERFORMED IN THE RURAL JUMP-START ZONE FOR FOUR
26 CONSECUTIVE INCOME TAX YEARS BEGINNING WITH THE FIRST INCOME TAX
27 YEAR IN WHICH THE NEW HIRE IS EMPLOYED BY THE NEW BUSINESS.

1 THE COMMISSION SHALL CONDUCT AN ANNUAL REVIEW TO VERIFY THAT
2 THE _____ NEW HIRE AND THE NEW BUSINESS CONTINUE TO MEET THE
3 REQUIREMENTS SET FORTH IN THIS ARTICLE AND SHALL ISSUE A CREDIT
4 CERTIFICATE TO THE NEW BUSINESS FOR EACH _____ NEW HIRE FOR EVERY
5 INCOME TAX YEAR DURING THE FOUR-YEAR PERIOD ONLY IF THE
6 COMMISSION IS SATISFIED THE REQUIREMENTS ARE BEING MET.

7 (II) A NEW BUSINESS MAY SEEK AN EXTENSION OF THE FOUR-YEAR
8 BENEFITS PERIOD SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (a)
9 BY COMPLETING A WRITTEN APPLICATION TO THE COMMISSION. THE
10 EXTENSION MAY NOT EXCEED AN ADDITIONAL FOUR YEARS. THE
11 APPLICATION FOR EXTENSION MUST INCLUDE AN EXPLANATION OF THE
12 NEW BUSINESS' NEED FOR THE EXTENSION AND ANY OTHER INFORMATION
13 THE COMMISSION DEEMS NECESSARY. IN DECIDING WHETHER TO GRANT
14 THE EXTENSION, THE COMMISSION MUST CONSIDER THE STATE OF THE
15 ECONOMY IN THE RURAL JUMP-START ZONE, THE ESTIMATED DEMAND FOR
16 TAX CREDITS ALLOWED IN THIS SECTION FOR OTHER NEW BUSINESSES, AND
17 THE IMPORTANCE OF THESE CREDITS IN INCENTIVIZING THE NEW BUSINESS.
18 THE EXTENSION APPLICATION MUST BE CONSIDERED AT A REGULARLY
19 SCHEDULED MEETING OF THE COMMISSION WHERE THE PUBLIC IS ALLOWED
20 TO COMMENT.

21 (b) TO CLAIM THE INCOME TAX CREDIT ALLOWED IN THIS SECTION,
22 THE _____ NEW HIRE SHALL ATTACH A COPY OF THE CREDIT CERTIFICATE TO
23 THE _____ NEW HIRE'S STATE INCOME TAX RETURN. NO TAX CREDIT IS
24 ALLOWED UNDER THIS SECTION UNLESS THE _____ NEW HIRE PROVIDES THE
25 COPY OF THE CREDIT CERTIFICATE WITH HIS OR HER FILED STATE INCOME
26 TAX RETURN.

27 (c) THE COMMISSION SHALL, IN A SUFFICIENTLY TIMELY MANNER

1 TO ALLOW THE DEPARTMENT TO PROCESS RETURNS CLAIMING THE CREDIT
2 ALLOWED BY THIS SECTION, PROVIDE THE DEPARTMENT WITH AN
3 ELECTRONIC REPORT OF EACH _____ NEW HIRE RECEIVING A CREDIT
4 CERTIFICATE AS ALLOWED IN THIS SECTION FOR THE PRECEDING CALENDAR
5 YEAR THAT INCLUDES THE FOLLOWING INFORMATION:

6 (I) THE ___ NEW HIRE'S NAME; AND

7 (II) THE ___ NEW HIRE'S SOCIAL SECURITY NUMBER.

8 (3) **New business sales and use tax refund.** (a) EACH NEW
9 BUSINESS IS ELIGIBLE FOR A REFUND FOR ALL SALES AND USE TAXES
10 IMPOSED UNDER PARTS 1 AND 2 OF ARTICLE 26 OF THIS TITLE ON THE
11 PURCHASE OF ALL TANGIBLE PERSONAL PROPERTY ACQUIRED BY THE NEW
12 BUSINESS AND USED EXCLUSIVELY WITHIN THE RURAL JUMP-START ZONE.
13 EXCEPT AS PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (3), THE NEW
14 BUSINESS IS ELIGIBLE FOR THE REFUND ALLOWED IN THIS PARAGRAPH (a)
15 FOR FOUR CONSECUTIVE YEARS BEGINNING WITH THE DATE THE
16 COMMISSION APPROVED THE NEW BUSINESS FOR THE RURAL JUMP-START
17 ZONE PROGRAM BENEFITS AS SPECIFIED IN SECTION 39-30.5-104 (7) (a).

18 (b) A NEW BUSINESS MAY SEEK AN EXTENSION OF THE FOUR-YEAR
19 PERIOD SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (3) BY
20 COMPLETING A WRITTEN APPLICATION TO THE COMMISSION. THE
21 EXTENSION MAY NOT EXCEED AN ADDITIONAL FOUR YEARS. THE
22 APPLICATION FOR EXTENSION MUST INCLUDE AN EXPLANATION OF THE
23 NEW BUSINESS' NEED FOR THE EXTENSION AND ANY OTHER INFORMATION
24 THE COMMISSION DEEMS NECESSARY. IN DECIDING WHETHER TO GRANT
25 THE EXTENSION, THE COMMISSION MUST CONSIDER THE STATE OF THE
26 ECONOMY IN THE RURAL JUMP-START ZONE, THE ESTIMATED DEMAND FOR
27 SALES AND USE TAX REFUNDS ALLOWED IN THIS SECTION FOR OTHER NEW

1 BUSINESSES, AND THE IMPORTANCE OF THE REFUND IN INCENTIVIZING THE
2 NEW BUSINESS. THE EXTENSION APPLICATION MUST BE CONSIDERED AT A
3 REGULARLY SCHEDULED MEETING OF THE COMMISSION WHERE THE PUBLIC
4 IS ALLOWED TO COMMENT.

5 (c) THE COMMISSION SHALL PROVIDE THE DEPARTMENT WITH A
6 LIST OF EVERY NEW BUSINESS ELIGIBLE FOR THE SALES AND USE TAX
7 REFUND ALLOWED IN THIS SUBSECTION (3).

8 (4) **Restrictions on other credits.** NOTWITHSTANDING ANY LAW
9 TO THE CONTRARY, IF A NEW BUSINESS CLAIMS THE RURAL JUMP-START
10 ZONE PROGRAM BENEFITS ALLOWED IN THIS SECTION, THE NEW BUSINESS
11 MAY NOT CLAIM ANY OTHER TAX INCENTIVE THAT THE NEW BUSINESS IS
12 ELIGIBLE FOR IN THIS TITLE AS A RESULT OF ESTABLISHING THE NEW
13 BUSINESS IN THE STATE, INCLUDING TAX INCENTIVES FOR THE NEW HIRES
14 HIRED BY THE NEW BUSINESS.

15 **39-30.5-106. Rural jump-start zone - local government**
16 **requirements.** (1) BEFORE THE COMMISSION MAY APPROVE A RURAL
17 JUMP-START ZONE AS SPECIFIED IN SECTION 39-30.5-104, THE FOLLOWING
18 MUST OCCUR:

19 (a) AN INTERESTED DISTRESSED COUNTY MUST ADOPT A
20 RESOLUTION AFFIRMING THAT IT WILL PROVIDE INCENTIVE PAYMENTS,
21 EXEMPTIONS, OR REFUNDS, AS APPROPRIATE, TO NEW BUSINESSES TO
22 ELIMINATE THE BUSINESS PERSONAL PROPERTY TAX IMPOSED ON ALL NEW
23 BUSINESSES BY THE DISTRESSED COUNTY. THE DISTRESSED COUNTY MAY
24 ADOPT AN ADDITIONAL RESOLUTION AFFIRMING THAT IT CHOOSES TO
25 PROVIDE INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS, AS
26 APPROPRIATE, TO ALL NEW BUSINESSES TO ELIMINATE ANY OTHER TAX
27 IMPOSED ON OR PAID BY SUCH NEW BUSINESSES IN THE DISTRESSED

1 COUNTY.

2 (b) INTERESTED MUNICIPALITIES WITHIN AN INTERESTED
3 DISTRESSED COUNTY MUST ADOPT EITHER:

4 (I) A GENERAL RESOLUTION AFFIRMING THAT IT WILL PROVIDE
5 INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS, AS APPROPRIATE, TO
6 ALL NEW BUSINESSES TO ELIMINATE THE BUSINESS PERSONAL PROPERTY
7 TAX IMPOSED ON NEW BUSINESSES BY THE INTERESTED MUNICIPALITY.
8 THE INTERESTED MUNICIPALITY MAY ADOPT AN ADDITIONAL RESOLUTION
9 AFFIRMING THAT IT CHOOSES TO PROVIDE INCENTIVE PAYMENTS,
10 EXEMPTIONS, OR REFUNDS, AS APPROPRIATE, TO ALL NEW BUSINESSES TO
11 ELIMINATE ANY OTHER TAX IMPOSED ON OR PAID BY SUCH NEW
12 BUSINESSES IN THE INTERESTED MUNICIPALITY.

13 (II) A LIMITED RESOLUTION AFFIRMING THAT IT WILL PROVIDE
14 INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS, AS APPROPRIATE, TO A
15 SPECIFIC NEW BUSINESS TO ELIMINATE THE BUSINESS PERSONAL PROPERTY
16 TAX IMPOSED ON THE SPECIFIC NEW BUSINESS BY THE INTERESTED
17 MUNICIPALITY. THE INTERESTED MUNICIPALITY MAY ADOPT AN
18 ADDITIONAL RESOLUTION AFFIRMING THAT IT CHOOSES TO PROVIDE
19 INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS, AS APPROPRIATE, TO
20 THE SPECIFIC BUSINESS TO ELIMINATE ANY OTHER TAX IMPOSED ON OR
21 PAID BY THE SPECIFIC BUSINESS IN THE INTERESTED MUNICIPALITY.

22 **39-30.5-107. Rural jump-start zone reporting requirements.**

23 (1) THE COMMISSION SHALL ANNUALLY POST ON THE COLORADO OFFICE
24 OF ECONOMIC DEVELOPMENT'S WEB SITE, AND INCLUDE IN THE
25 COMMISSION'S ANNUAL REPORT REQUIRED TO BE PRESENTED TO THE
26 GENERAL ASSEMBLY PURSUANT TO SECTION 24-46-104 (2), C.R.S., THE
27 FOLLOWING INFORMATION REGARDING ANY RURAL JUMP-START ZONE

1 PROGRAM BENEFITS ALLOWED UNDER THIS ARTICLE:
2 (a) THE DISTRESSED COUNTY AND INTERESTED MUNICIPALITIES
3 THAT MAKE UP THE RURAL JUMP-START ZONE;
4 (b) THE STATE INSTITUTION OF HIGHER EDUCATION THAT
5 SUBMITTED THE APPLICATION;
6 (c) THE NAME OF THE NEW BUSINESS;
7 (d) THE TYPE OF NEW BUSINESS;
8 (e) THE TAX YEAR FOR WHICH THE FIRST CREDIT CERTIFICATE IS
9 ISSUED OR THE DATE THE SALES AND USE TAX REFUND IS AUTHORIZED;
10 (f) THE NUMBER OF NEW HIRES ___ HIRED;
11 (g) THE AVERAGE SALARY OR HOURLY WAGE OF EACH ___ NEW
12 HIRE;
13 (h) AN ESTIMATED AMOUNT, AS CALCULATED BY THE NEW
14 BUSINESS, OF THE INCOME TAX CREDITS FOR THE NEW BUSINESS ___ AND
15 ANY NEW HIRES AND THE SALES AND USE TAX REFUNDS ALLOWED IN
16 SECTION 39-30.5-105, AND AN ESTIMATED AMOUNT, AS CALCULATED BY
17 THE NEW BUSINESS, OF INCENTIVE PAYMENTS, EXEMPTIONS, OR REFUNDS
18 PROVIDED BY LOCAL GOVERNMENTS AS ALLOWED IN SECTION 39-30.5-106;
19 AND
20 (i) ANY OTHER ECONOMIC BENEFITS RESULTING FROM THE RURAL
21 JUMP-START ZONE PROGRAM.
22 (2) ANY NEW BUSINESS LOCATED IN A RURAL JUMP-START ZONE
23 MUST SUBMIT AN ANNUAL REPORT TO THE COMMISSION IN A FORM AND AT
24 SUCH TIME AND WITH SUCH INFORMATION AS PRESCRIBED BY THE
25 COMMISSION IN ITS GUIDELINES. SUCH INFORMATION SHALL BE SUFFICIENT
26 FOR THE COMMISSION TO MONITOR THE CONTINUED ELIGIBILITY OF THE
27 NEW BUSINESS ___ AND THE NEW HIRES TO CONTINUE TO PARTICIPATE IN

1 THE RURAL JUMP-START ZONE PROGRAM AND TO RECEIVE THE RURAL
2 JUMP-START ZONE PROGRAM BENEFITS.

3 **39-30.5-108. Severability.** IF ANY PROVISION OF THIS ARTICLE OR
4 THE APPLICATION THEREOF TO ANY PERSON OR CIRCUMSTANCE IS HELD
5 INVALID, SUCH INVALIDITY DOES NOT AFFECT OTHER PROVISIONS OR
6 APPLICATIONS OF THIS ARTICLE THAT CAN BE GIVEN EFFECT WITHOUT THE
7 INVALID PROVISION OR APPLICATION, AND TO THIS END THE PROVISIONS OF
8 THIS ARTICLE ARE DECLARED TO BE SEVERABLE.

9 **SECTION 2. Appropriation.** For the 2015-16 state fiscal year,
10 \$125,983 is appropriated to the office of the governor. This appropriation
11 is from the general fund and is based on an assumption that the office will
12 require an additional 1.0 FTE. To implement this act, the office may use
13 this appropriation to support the Colorado economic development
14 commission in implementing the rural jump-start zone program.

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