

**UPDATED SUMMARY
HOUSE BILL 16-1332**

Second Regular Session - Seventieth Colorado General Assembly

This summary applies to the reengrossed version of this bill as introduced in the second house. It does not reflect any amendments that may be subsequently adopted. This summary reflects only the main points of the legislation.

The bill makes changes to 2 income tax credits available to taxpayers who purchase alternative fuel motor vehicles and trucks. The bill:

- ! Fixes a specified dollar amount for the income tax credits for motor vehicles and trucks instead of requiring the taxpayer to calculate the income tax credit using formulas based on a specified percentage of the actual cost incurred or battery size;
- ! Distinguishes between purchases and leases of a motor vehicle or truck in fixing the values of the income tax credits;
- ! Requires a lessee to enter into a lease with a term of not less than 2 years to qualify for the income tax credit on or after January 1, 2017;
- ! Removes the income tax credit for the purchase or lease of light duty passenger motor vehicle diesel-electric hybrids and light duty passenger motor vehicle, light duty, truck, and medium duty truck diesel-electric hybrid conversions;
- ! Makes all used motor vehicles and trucks ineligible for the credits, *unless the motor vehicle is being converted*;
- ! Allows a taxpayer to assign the income tax credit to a financing entity and thus forfeit the right to claim the tax credit on the taxpayer's tax return in exchange for the full nominal value of the income tax credit, minus an administrative fee not to exceed \$150;
- ! Requires the taxpayer claiming an income tax credit on or after January 1, 2017, to provide the department of revenue with the motor vehicle's or truck's vehicle identification number; and
- ! Requires the department of revenue to commence tracking the vehicle identification number of the motor vehicle or truck for which a credit is claimed.