

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

INTRODUCED

LLS NO. 16-0937.01 Esther van Mourik x4215

HOUSE BILL 16-1292

HOUSE SPONSORSHIP

Kagan, Lebsock, Rosenthal, Ryden, Vigil

SENATE SPONSORSHIP

Donovan,

House Committees

Public Health Care & Human Services
Finance

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AN INCOME TAX CREDIT FOR CERTAIN QUALIFYING**
102 **TAXPAYERS WITH BOTH CHILD AND RELATIVE DEPENDENTS.**

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 a refundable income tax credit for middle- and low-income taxpayers who claim exemptions for dependents on their federal income tax return for both qualifying children and qualifying relatives.

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.

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

2 **SECTION 1. Legislative declaration.** The general assembly
3 hereby finds and declares that the intended purpose of the tax expenditure
4 in this act is to give assistance to the "sandwich generation", those
5 caregivers who find themselves sandwiched in between caring for
6 younger loved ones such as children and their elder parents or other elder
7 family members.

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

10 **39-22-538. Income tax credit for qualifying taxpayers with**
11 **both child and relative dependents - definition - repeal.** (1) AS USED
12 IN THIS SECTION, "QUALIFIED TAXPAYER" MEANS A TAXPAYER:

13 (a) WITH FEDERAL GROSS INCOME AT OR BELOW TWO HUNDRED
14 PERCENT OF THE NATIONAL MEDIAN HOUSEHOLD INCOME OF ITS SIZE,
15 BASED ON THE MOST RECENT DATA AVAILABLE PUBLISHED BY THE UNITED
16 STATES CENSUS BUREAU; AND

17 (b) WHO CLAIMS EXEMPTIONS FOR DEPENDENTS ON HIS OR HER
18 FEDERAL INCOME TAX RETURN FOR BOTH QUALIFYING CHILDREN AND
19 QUALIFYING RELATIVES.

20 (2) (a) FOR TAX YEARS COMMENCING ON OR AFTER JANUARY 1,
21 2016, BUT PRIOR TO JANUARY 1, 2019, THERE IS ALLOWED TO ANY
22 QUALIFIED TAXPAYER ONE CREDIT PER HOUSEHOLD IN THE AMOUNT OF
23 THREE THOUSAND SIX HUNDRED DOLLARS AGAINST THE TAX IMPOSED BY
24 THIS ARTICLE.

25 (b) IN THE CASE OF TWO TAXPAYERS FILING A JOINT RETURN, THE
26 CREDIT MAY NOT EXCEED THREE THOUSAND SIX HUNDRED DOLLARS IN
27 ANY TAXABLE YEAR. IN THE CASE OF TWO TAXPAYERS WHO MAY LEGALLY

1 FILE A JOINT RETURN BUT ACTUALLY FILE SEPARATE RETURNS, ONLY ONE
2 OF THE TAXPAYERS MAY CLAIM THE CREDIT ALLOWED IN THIS SECTION.

3 (3) IF A CREDIT AUTHORIZED IN THIS SECTION EXCEEDS THE
4 INCOME TAX DUE ON THE INCOME OF THE QUALIFIED TAXPAYER FOR THE
5 TAXABLE YEAR, THE EXCESS CREDIT MAY NOT BE CARRIED FORWARD AND
6 MUST BE REFUNDED TO THE QUALIFIED TAXPAYER.

7 (4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2024.

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