

**First Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO**

**REVISED**

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 25-0888.02 Pierce Lively x2059

**HOUSE BILL 25-1296**

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**HOUSE SPONSORSHIP**

**Garcia and Zokaie**, Bacon, Boesenecker, Brown, Camacho, Lindsay, Mabrey, Rutinel,  
Sirota, Story, Titone

**SENATE SPONSORSHIP**

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Finance  
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**A BILL FOR AN ACT**

101      **CONCERNING THE ADJUSTMENT OF CERTAIN TAX EXPENDITURES.**

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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://leg.colorado.gov>.)*

The bill adjusts several state tax expenditures as follows:

- **Section 2** of the bill increases the amount of a company's total domestic workforce that must be in Colorado for a company to qualify for the insurance premium tax rate tax expenditure for a home office or regional home office;
- **Section 3** requires insurance companies, when submitting certain filings with the division of insurance, to submit the total annual dollar amount of premiums collected or

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words or numbers indicate deletions from existing law.

SENATE  
Amended 2nd Reading  
May 2, 2025

HOUSE  
3rd Reading Unamended  
April 28, 2025

HOUSE  
Amended 2nd Reading  
April 25, 2025

- contracted for on policies or contracts of insurance covering property or risks in Colorado during the previous calendar year from entities that are exempt from taxation;
- **Section 6** limits the existing tax deduction related to expenses, the deduction of which is disallowed by section 280C of the internal revenue code, so that a taxpayer may only claim the tax deduction for income tax years commencing before January 1, 2026;
  - **Section 10**, for income tax years commencing on and after January 1, 2026, creates a new tax deduction related to expenses, the deduction of which is disallowed by section 280C of the internal revenue code, so that a taxpayer may claim the deduction for any expenses that cannot be deducted under section 280C of the internal revenue code;
  - **Section 7** limits the alternative minimum tax credit to income tax years commencing prior to January 1, 2025;
  - **Section 8** extends the tax credit for monetary contributions to promote child care, so that the tax credit is available through income tax years commencing before January 1, 2030, rather than January 1, 2028;
  - **Section 9**, for income tax years commencing on and after January 1, 2026, creates an income tax credit for certain individuals who are 65 years of age or older in the income tax year, or who are a surviving spouse of that individual, and who were previously eligible to receive a grant for real property tax assistance and heat or fuel expenses assistance;
  - **Section 20**, beginning January 1, 2026, ends the availability of grants for real property tax assistance and heat or fuel expenses assistance;
  - **Sections 4, 5, 14, 15, 21, 22, and 23** make conforming amendments for the changes made in **sections 9 and 20**;
  - **Section 11** expands the definition of local government to include counties for purposes of the alternative transportation options tax credit;
  - **Section 12** limits the existing business personal property tax credit so that a taxpayer may only claim the tax deduction for income tax years commencing before January 1, 2026;
  - **Section 13** modifies the tax credit for qualified costs incurred in preservation of historic structures by removing the 5% increase in the percentage of rehabilitation expenses incurred in a rehabilitation in a disaster area for the rehabilitation of a commercial structure that are applicable for the tax credit;

- **Section 16** modifies the downloaded software sales tax exemption so that all software that is available for repeated sale and license and governed by a nonnegotiable license agreement qualifies as tangible property and thus is subject to sales tax;
- **Section 17** ensures that, beginning July 1, 2025, interstate telephone and telegraph services are subject to state sales tax;
- **Section 18** repeals, effective July 1, 2025, the special fuel excise tax reduction associated with bad debt and the payment of the special fuel excise tax; and
- **Section 19** modifies the enterprise zone tax credit for income tax years beginning January 1, 2026, by limiting the total amount of the credit that may be claimed to \$2 million, providing an exemption process for that limit, and prohibiting certain taxpayers from claiming that credit.

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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 finds and declares that:

4 (a) (I) House Bill 24-1314 substantially modified the tax credit for  
5 qualified costs incurred in the preservation of historic structures by,  
6 among other things, expanding the amount of the tax credit available to  
7 taxpayers;

8 (II) As part of modifying the tax expenditure, House Bill 24-1314  
9 also removed the 5% increase in the percentage of rehabilitation expenses  
10 incurred in a disaster area for the rehabilitation of a residential structure,  
11 but not a commercial structure, that are considered in determining the  
12 amount of the tax expenditure;

13 (III) This act further modifies the tax expenditure by removing the  
14 5% increase in the percentage of rehabilitation expenses incurred in a  
15 rehabilitation in a disaster area for the rehabilitation of a commercial  
16 structure that are considered in determining the amount of the tax

1 expenditure;

2 (IV) The primary purpose of the modification of this tax  
3 expenditure is to decrease administrative burden by aligning the treatment  
4 of expenses incurred in rehabilitating residential and commercial historic  
5 structures; and

6 (V) The modification of this tax expenditure will cause only a de  
7 minimis revenue gain that is incidental to the primary purpose of  
8 modifying the tax expenditure;

9 (b) (I) One of the five primary categories of sales that are subject  
10 to state sales tax is intrastate telephone and telegraph services;

11 (II) Interstate telephone and telegraph services are not subject to  
12 state sales tax;

13 (III) Unlike Colorado, twenty-eight states subject interstate  
14 telephone and telegraph services to state sales tax if at least one of the  
15 nodes of those services is in the state levying the sales tax;

16 (IV) Like the state, many home rule municipalities in Colorado  
17 impose sales tax on intrastate telephone and telegraph services, meaning  
18 that some telephone and telegraph services are taxed while others are not;

19 (V) The primary purpose of repealing this tax expenditure is to  
20 further resolve taxpayer confusion and decrease administrative burden by  
21 repealing the sales tax exemption to make it clear that all telephone and  
22 telegraph services are subject to sales tax; and

23 (VI) The repeal of this tax expenditure will cause only a de  
24 minimis revenue gain that is incidental to the primary purpose of  
25 repealing the tax expenditure;

26 (c) (I) The purpose of the business personal property tax income  
27 tax credit is to minimize the negative impact of the business personal

1 property tax on businesses;

2 (II) As referenced in the office of the state auditor's 2024  
3 evaluation of the business personal property tax income tax credit,  
4 Colorado also exempts businesses with business personal property below  
5 a dollar threshold from filing and paying the tax altogether. That  
6 threshold is currently \$52,000. Only twelve other states have some type  
7 of exemption for business personal property. Unlike Colorado, no state  
8 has both an exemption and an income tax credit for business personal  
9 property taxes paid.

10 (III) The office of the state auditor's 2024 evaluation of the  
11 business personal property tax income tax credit indicated that less than  
12 1% of business personal property taxpayers in the state claim the income  
13 tax credit and many of those credits were claimed erroneously or were  
14 miscalculated, suggesting that the cost of administering the income tax  
15 credit is larger than its benefit to taxpayers;

16 (IV) Taxpayers can already deduct property taxes as ordinary and  
17 necessary business expenses on their federal income tax returns, which  
18 also reduces their state tax liability, meaning that the business personal  
19 property tax income tax credit is partially duplicative; and

20 (V) Therefore, the purpose of repealing the business personal  
21 property tax income tax credit is to reduce administrative burden and  
22 increase administrative efficiency by removing a duplicative tax  
23 expenditure that is rarely being claimed. The repeal of this tax  
24 expenditure will only cause a de minimis revenue gain that is incidental  
25 to the primary purpose of repealing the tax expenditure.

26 (d) (I) The purpose of the enterprise zone investment tax credit,  
27 which awards a tax credit in proportion to the amount of a taxpayer's

1 investment within certain areas of Colorado, is to incentivize the  
2 formation of businesses and the creation of jobs within economically  
3 distressed parts of Colorado;

4 (II) As referenced in the office of the state auditor's 2020  
5 evaluation on the enterprise zone investment tax credit, most businesses  
6 that currently claim the enterprise zone investment tax credit are  
7 inherently highly location-dependent and therefore are not as incentivized  
8 or disincentivized by a tax expenditure that rewards investment within  
9 certain areas of Colorado;

10 (III) The purpose of limiting the amount of, and who may qualify  
11 for, the enterprise zone investment tax credit is to narrow the scope of the  
12 tax expenditure so that it will achieve its original purpose of incentivizing  
13 the formation of businesses and the creation of jobs within economically  
14 distressed parts of Colorado; and

15 (IV) The modification of this enterprise zone investment tax credit  
16 will cause only a de minimis revenue gain that is incidental to the primary  
17 purpose of modifying the enterprise zone investment tax credit to better  
18 achieve its original purpose; and

19 (e) Overall, the purpose of all of the modifications to tax  
20 expenditures in this House Bill 25-1296 is to better align the tax  
21 expenditures with the general assembly's intent in enacting these tax  
22 expenditures, to improve administrative efficiency, to reduce  
23 administrative burden, and to conform Colorado's tax code with  
24 provisions commonly used in other states so that Colorado is less of an  
25 outlier around the country in how taxpayers compute their taxes owed.  
26 Any revenue gained through the modifications to tax expenditures in this  
27 House Bill 25-1296, from modifications that narrow or expand tax

1 expenditures, is clearly de minimis and incidental.

2 (f) Therefore, consistent with the Colorado supreme court's  
3 holding in *TABOR Found. v. Reg'l Transp. Dist.*, 2018 CO 29, that  
4 legislation that causes only an incidental and de minimis tax revenue  
5 increase does not amount to a new tax or a tax policy change that requires  
6 voter approval in advance under section 20 of article V of the state  
7 constitution, the modifications to tax expenditures in this act are neither  
8 new taxes nor tax policy changes that require voter approval.

9 **SECTION 2.** In Colorado Revised Statutes, 25-1.5-106, **amend**  
10 (16)(a) as follows:

11 **25-1.5-106. Medical marijuana program - powers and duties**  
12 **of state health agency - rules - medical review board - medical**  
13 **marijuana program cash fund - subaccount - created - "Ethan's**  
14 **Law" - definitions - repeal. (16) Fees.** (a) The state health agency may  
15 collect fees from patients who, pursuant to section 14 of article XVIII of  
16 the state constitution or subsection (9) of this section, apply to the medical  
17 marijuana program for a registry identification card for the purpose of  
18 offsetting the state health agency's direct and indirect costs of  
19 administering the program. The amount of the fees shall be set by rule of  
20 the state health agency. The amount of the fees set pursuant to this section  
21 shall reflect the actual direct and indirect costs of the state licensing  
22 authority in the administration and enforcement of this article so that the  
23 fees avoid exceeding the statutory limit on uncommitted reserves in  
24 administrative agency cash funds as set forth in section 24-75-402 (3).  
25 The state health agency shall not assess a medical marijuana registry  
26 application fee to an applicant who demonstrates, pursuant to a copy of  
27 the applicant's state tax return certified by the department of revenue OR

1 A COPY OF THE APPLICANT'S FEDERAL TAX RETURN RECEIVED FROM THE  
2 INTERNAL REVENUE SERVICE, that the applicant's income does not exceed  
3 one hundred eighty-five percent of the federal poverty line, adjusted for  
4 family size. All fees collected by the state health agency through the  
5 medical marijuana program shall be transferred to the state treasurer who  
6 shall credit the same to the medical marijuana program cash fund, which  
7 fund is hereby created.

8 **SECTION 3.** In Colorado Revised Statutes, 10-3-209, **add** (6)(d)  
9 as follows:

10 **10-3-209. Tax on premiums collected - exemptions - penalties**  
11 **- filing system - division to contract with third parties - rules - repeal.**

12 (6) (d) IN SUBMITTING TAXES, PENALTIES, FINES, FEES, AND ASSOCIATED  
13 FILINGS REQUIRED UNDER THIS SECTION TO THE DIVISION, AN INSURANCE  
14 COMPANY SHALL IDENTIFY THE TOTAL ANNUAL DOLLAR AMOUNT OF  
15 PREMIUMS COLLECTED OR CONTRACTED FOR ON POLICIES OR CONTRACTS  
16 OF INSURANCE COVERING PROPERTY OR RISKS IN COLORADO DURING THE  
17 PREVIOUS CALENDAR YEAR FROM ENTITIES THAT ARE EXEMPT FROM  
18 TAXATION PURSUANT TO SECTION 10-3-209 (1)(d)(IV).

19 **SECTION 4.** In Colorado Revised Statutes, 39-1-104.2, **amend**  
20 **(3)(s)(I) introductory portion as follows:**

21 **39-1-104.2. Residential real property - valuation for**  
22 **assessment - legislative declaration - definitions.** (3) (s) (I) For  
23 **property tax years commencing on or after January 1, 2025, but before**  
24 **January 1, 2027, if there are sufficient excess state revenues, the valuation**  
25 **for assessment for qualified-senior primary residence real property,**  
26 **including multi-family qualified-senior primary residence real property,**  
27 **is:**



1           **SECTION 5.** In Colorado Revised Statutes, 39-21-113, **add** (37)  
2 as follows:

3           **39-21-113. Reports and returns - rule - repeal.**

4           (37) NOTWITHSTANDING THE PROVISIONS OF THIS SECTION, THE  
5 EXECUTIVE DIRECTOR MAY PROVIDE TO THE DEPARTMENT OF EARLY  
6 CHILDHOOD SUCH DETAILED TAXPAYER INFORMATION PERTINENT TO A  
7 CLAIM FOR AN INCOME TAX CREDIT FOR AN EARLY CHILDHOOD EDUCATOR  
8 PURSUANT TO SECTION 39-22-547, AND SUCH DETAILED TAXPAYER  
9 INFORMATION PERTINENT TO A CLAIM FOR AN INCOME TAX CREDIT FOR A  
10 CARE WORKER PURSUANT TO SECTION 39-22-566. ANY INFORMATION  
11 PROVIDED PURSUANT TO THIS SUBSECTION (37) MUST REMAIN  
12 CONFIDENTIAL, AND ALL PERSONS ARE SUBJECT TO THE LIMITATIONS  
13 SPECIFIED IN SUBSECTION (4) OF THIS SECTION AND THE PENALTIES  
14 SPECIFIED IN SUBSECTION (6) OF THIS SECTION.

15           **SECTION 6.** In Colorado Revised Statutes, 39-22-104, **amend**  
16 (3)(t); and **add** (3)(u) as follows:

17           **39-22-104. Income tax imposed on individuals, estates, and**  
18 **trusts - single rate - report - tax preference performance statement**  
19 **- legislative declaration - definitions - repeal.** (3) There shall be added  
20 to the federal taxable income:

21           (t) For income tax years commencing on or after January 1, 2025,  
22 an amount equal to the amount of employer contribution that an employee  
23 forfeits pursuant to section 39-22-558 (3)(c) and that the taxpayer had  
24 previously subtracted from the taxpayer's federal taxable income pursuant  
25 to subsection (4)(bb) of this section; AND

26           (u) THE AMOUNT OF ANY OVERTIME COMPENSATION EXCLUDED OR  
27 DEDUCTED FROM FEDERAL GROSS INCOME.

1           **SECTION 7.** In Colorado Revised Statutes, 39-22-509, **amend**  
2           (2)(d) as follows:

3           **39-22-509. Credit against tax - employer expenditures for**  
4           **alternative transportation options for employees - legislative**  
5           **declaration - definitions - repeal.** (2) As used in this section, unless the  
6           context otherwise requires:

7           (d) "Local government" means any home rule city, town, COUNTY  
8           or city and county, ~~or~~ AND ANY statutory city, ~~or~~ town, OR COUNTY.

9           **SECTION 8.** In Colorado Revised Statutes, 39-22-514.5, **amend**  
10          (8)(c)(III) introductory portion as follows:

11          **39-22-514.5. Tax credit for qualified costs incurred in**  
12          **preservation of historic structures - commercial historic preservation**  
13          **tax credit program cash fund - tax preference performance statement**  
14          **- legislative declaration - short title - definitions.** (8) **Deadline for**  
15          **incurring specified amount of estimated costs of rehabilitation - proof**  
16          **of compliance - audit of cost and expense certification - issuance of**  
17          **tax credit certificate - commercial structures.** (c) Notwithstanding  
18          subsection (8)(b) of this section:

19          (III) FOR INCOME TAX YEARS COMMENCING PRIOR TO JANUARY 1,  
20          2030, AND FOR APPLICATIONS SUBMITTED PURSUANT TO SUBSECTION (5)  
21          OF THIS SECTION PRIOR TO JANUARY 1, 2026, with respect to a certified  
22          historic structure that is a qualified commercial structure that is located  
23          in an area that the president of the United States has determined to be a  
24          major disaster area under section 102 (2) of the federal "Robert T.  
25          Stafford Disaster Relief and Emergency Assistance Act", 42 U.S.C. sec.  
26          5121 et seq., or that is located in an area that the governor has determined  
27          to be a disaster area under the "Colorado Disaster Emergency Act", part

1 7 of article 33.5 of title 24, the tax credit amounts specified in subsections  
2 (8)(b)(I) and (8)(b)(II) of this section must be increased as follows for an  
3 application that is filed within six years after the disaster determination:

4 **SECTION 9.** In Colorado Revised Statutes, 39-22-517, **amend**  
5 (1), (2), and (4) as follows:

6 **39-22-517. Tax credit for child care center investments -**  
7 **repeal.** (1) With respect to taxable years commencing on or after January  
8 1, 1992, and prior to ~~January 1, 2026~~ JANUARY 1, 2029, there is allowed  
9 to any person operating a child care center licensed pursuant to section  
10 26-6-905 or 26.5-5-309, family child care home licensed pursuant to  
11 section 26.5-5-309, or foster care home licensed pursuant to section  
12 26-6-905 a credit against the tax imposed by this article 22 in the amount  
13 of twenty percent of the taxpayer's annual investment in tangible personal  
14 property to be used in such child care center, family child care home, or  
15 foster care home.

16 (2) With respect to taxable years commencing on or after July 1,  
17 1992, and prior to ~~January 1, 2026~~ JANUARY 1, 2029, there is allowed to  
18 any sole proprietorship, partnership, limited liability corporation,  
19 subchapter S corporation, or regular corporation that provides child care  
20 facilities that are incidental to their business and are licensed pursuant to  
21 section 26-6-905 or 26.5-5-309 for the use of its employees a credit  
22 against the tax imposed by this article 22 in the amount of ten percent of  
23 the taxpayer's annual investment in tangible personal property to be used  
24 in such child care facilities.

25 (4) This section is repealed, effective ~~December 31, 2033~~  
26 DECEMBER 31, 2036.

27 **SECTION 10.** In Colorado Revised Statutes, 39-22-537.5,

1 **amend** (3)(a); and **add** (5) as follows:

2 **39-22-537.5. Credit for personal property taxes paid -**  
3 **legislative declaration - definitions - repeal.** (3) (a) For income tax  
4 years commencing on or after January 1, 2019, BUT BEFORE JANUARY 1,  
5 2026, a taxpayer is allowed a credit against the tax imposed by this article  
6 22 equal to the property tax paid in Colorado during the income tax year  
7 on up to eighteen thousand dollars of the total actual value of the  
8 taxpayer's personal property.

9 (5) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2036.

10 **SECTION 11.** In Colorado Revised Statutes, 39-22-544, **amend**  
11 (4)(c) as follows:

12 **39-22-544. Credit against tax - qualifying seniors - creation -**  
13 **legislative declaration - definitions - repeal.** (4) (c) (I) For the income  
14 tax year commencing on January 1, 2022, notwithstanding subsections  
15 (4)(a) and (4)(b) of this section, a taxpayer who also qualifies for a grant  
16 under article 31 of this title 39 during calendar year 2022 is eligible to  
17 receive the full credit without an income-based reduction that otherwise  
18 applies for the taxpayer under subsection (4)(a) or (4)(b) of this section.

19 (II) THIS SUBSECTION (4)(c) IS REPEALED, EFFECTIVE DECEMBER  
20 31, 2026.

21 **SECTION 12.** In Colorado Revised Statutes, 39-22-566, **amend**  
22 (2)(j), (2)(k), and (2)(l) as follows:

23 **39-22-566. Qualified care worker tax credit - tax preference**  
24 **performance statement - legislative declaration - definitions - repeal.**

25 (2) As used in this section, unless the context otherwise requires:

26 (j) "Informal family friend or neighbor child care worker" means  
27 an individual described in section 26.5-5-304 (1)(f) who provides care for

1 children other than their own who are five years of age or younger,  
2 EXCEPT THAT AN INFORMAL FAMILY FRIEND OR NEIGHBOR CHILD CARE  
3 WORKER IS NOT REQUIRED TO PROVIDE CARE IN THE INDIVIDUAL'S  
4 PERMANENT PLACE OF RESIDENCE.

5 (k) "Licensed early childhood education program" means an early  
6 childhood education program, as defined in section 26.5-2-202 (3), that  
7 held a valid license issued pursuant to part 3 of article 5 of title 26.5, ~~for~~  
8 ~~at least six months~~ during the income tax year.

9 (l) "Licensed family child care home" means a family child care  
10 home, as defined in section 26.5-5-303 (7), that held a valid license issued  
11 pursuant to part 3 of article 5 of title 26.5, ~~for at least six months~~ during  
12 the income tax year.

13 **SECTION 13.** In Colorado Revised Statutes, 39-22-604, **amend**  
14 (3)(a), (3)(b), (4)(b), (5), (6)(a), (8), (10), (13), (16)(a), (16)(b)(I), and  
15 (20) as follows:

16 **39-22-604. Withholding tax - requirement to withhold - tax**  
17 **lien - exemption from lien - annual statement - notice - definitions -**  
18 **repeal.** (3) (a) (I) Every employer making payment of wages shall deduct  
19 and withhold from wages an amount measured by a percentage or  
20 percentages of the total amount required to be deducted and withheld by  
21 an employer from wages of an employee for federal income tax purposes,  
22 or measured by withholding tax tables promulgated by the executive  
23 director, or by such other methods as the executive director may prescribe  
24 if such percentage, percentages, tables, or other methods result in the  
25 withholding from the employee's wages during each pay period an  
26 amount which shall approximate as nearly as possible the income tax due  
27 to the state of Colorado by such employee.

1           (II) IN ADDITION TO THE AMOUNT REQUIRED TO BE DEDUCTED AND  
2     WITHHELD PURSUANT TO SUBSECTION (3)(a)(I) OF THIS SECTION, THE  
3     EXECUTIVE DIRECTOR MAY REQUIRE EVERY EMPLOYER MAKING PAYMENT  
4     OF COMPENSATION OTHER THAN WAGES TO DEDUCT AND WITHHOLD AN  
5     AMOUNT MEASURED BY A PERCENTAGE OR PERCENTAGES, OR MEASURED  
6     BY WITHHOLDING TAX TABLES ESTABLISHED BY THE EXECUTIVE  
7     DIRECTOR, OR BY SUCH OTHER METHODS AS THE EXECUTIVE DIRECTOR  
8     MAY PRESCRIBE IF SUCH PERCENTAGE, PERCENTAGES, TABLES, OR OTHER  
9     METHODS RESULT IN THE WITHHOLDING FROM THE OTHER COMPENSATION  
10    PAID TO AN EMPLOYEE DURING EACH PAY PERIOD AN AMOUNT WHICH  
11    SHALL APPROXIMATE AS NEARLY AS POSSIBLE THE INCOME TAX DUE TO  
12    THE STATE OF COLORADO BY SUCH EMPLOYEE ON SUCH OTHER  
13    COMPENSATION.

14           (b) The executive director may, upon written application ~~having~~  
15    ~~been made to him~~, approve a method of withholding in lieu of the method  
16    provided in ~~paragraph (a) of this subsection (3)~~ SUBSECTION (3)(a) OF THIS  
17    SECTION to authorize a withholding based upon a percentage fixed by the  
18    executive director of the adjusted gross income, which percentage shall  
19    approximate as nearly as possible the amount of income tax due to the  
20    state of Colorado and as nearly as possible the ~~amount so~~ AMOUNTS  
21    REQUIRED TO BE deducted and withheld in ~~paragraph (a) of this subsection~~  
22    ~~(3)~~ SUBSECTION (3)(a) OF THIS SECTION.

23           (4) (b) WHERE PRACTICABLE, the rules and regulations  
24    promulgated pursuant to this section shall not prescribe ~~filing or~~  
25    INFORMATION REPORT, FILING, PAYMENT, OR withholding requirements  
26    which are more frequent or more stringent than corresponding federal  
27    requirements; EXCEPT THE EXECUTIVE DIRECTOR MAY PRESCRIBE

1 ADDITIONAL OR DIFFERENT REQUIREMENTS WHEN NECESSARY FOR THE  
2 EFFICIENT ADMINISTRATION OF DIFFERENCES BETWEEN THE INTERNAL  
3 REVENUE CODE AND THIS ARTICLE 22.

4 (5) All amounts deducted and withheld shall be considered as tax  
5 collected under the provisions of this section and no employee shall have  
6 any right of action against ~~his~~ AN employer in respect to any ~~moneys so~~  
7 AMOUNT deducted and withheld from ~~his~~ THE EMPLOYEE'S wages AND  
8 OTHER COMPENSATION and paid over to the department in compliance or  
9 in intended compliance with this section.

10 (6) (a) Every employer shall, in accordance with such rules as  
11 shall be prescribed by the department of revenue, provide each employee  
12 with a statement of the amounts of ~~moneys~~ deducted and withheld from  
13 such employee's wages AND OTHER COMPENSATION in accordance with  
14 the provisions of this section. Every employer shall also make an annual  
15 statement for each employee to the department of revenue, on such forms  
16 as are provided or approved by the department, a copy of which shall be  
17 provided each employee, summarizing the total compensation paid and  
18 the tax withheld for such employee during the preceding calendar year or  
19 any portion thereof, and the said annual statement shall be filed on or  
20 before the date established pursuant to section 6071 of the internal  
21 revenue code for filing similar federal statements. Failure to file the  
22 statements within the time prescribed therefor, unless shown to have been  
23 due to reasonable cause, or the willful filing or furnishing of false or  
24 fraudulent statements shall subject the employer to a penalty, at the  
25 discretion of the executive director, of not less than five dollars nor more  
26 than fifty dollars, which shall be in addition to any criminal penalty  
27 otherwise provided for failure to file a return or for filing a false or

1 fraudulent return.

2 (8) The entire amount of income from wages AND OTHER  
3 COMPENSATION upon which tax was deducted and withheld shall be  
4 included in the gross income of the income tax return required to be made  
5 by the employee, the recipient of the wages AND OTHER COMPENSATION,  
6 without exclusion of such amounts deducted and withheld under this  
7 section, and any tax so deducted and withheld shall be credited against the  
8 total income tax, as computed in the employee's return, made in  
9 accordance with the provisions of this section.

10 (10) In the event the excess tax deducted and withheld is one  
11 dollar or less, no refund shall be made, unless a specific claim for refund  
12 is filed by the taxpayer at the time the return is filed. The excess, subject  
13 to being refunded, shall in no event and under no condition be allowed as  
14 a credit against any tax accruing on a return filed for a year subsequent to  
15 the year during which the wages OR OTHER COMPENSATION were received,  
16 and can only be credited against a tax accruing upon a return of wages OR  
17 OTHER COMPENSATION from which such excess was deducted and  
18 withheld.

19 (13) The department is empowered to make rules and regulations  
20 for the enforcement of the provisions of this section, including rules and  
21 regulations for determining the amount, up to but not exceeding the  
22 amount limited in this section, to be deducted and withheld by employers  
23 from wages of AND OTHER COMPENSATION PAID TO nonresident  
24 employees, only a part of whose wages OR OTHER COMPENSATION are  
25 paid for services performed within the state of Colorado.

26 (16) (a) On or before the date of the commencement of  
27 employment with an employer, the employee shall furnish the employer



1 with a signed withholding certificate. EXCEPT AS PROVIDED BY RULES  
2 ESTABLISHED BY THE EXECUTIVE DIRECTOR PURSUANT TO THIS SECTION,  
3 a comparable withholding certificate filed pursuant to the internal revenue  
4 code shall be deemed to satisfy the filing requirement under this  
5 subsection (16). Where necessary to cause the proper amount to be  
6 withheld, the executive director may adjust the employee's withholding  
7 to the amount properly allowable under the internal revenue code OR THIS  
8 SECTION.

9 (b) (I) To enforce the provisions of this section, the executive  
10 director may file with the employer a withholding certificate on behalf of  
11 the employee. Prior to the filing of such certificate, the executive director  
12 shall first notify the employee that the certificate previously filed by the  
13 employee is being examined and that the employee may submit  
14 satisfactory evidence ~~pursuant to the internal revenue code~~ within ten  
15 days of receipt of said notice as to the correct number of withholding  
16 exemptions and allowances. Should the executive director, after  
17 reviewing any evidence so submitted, find the certificate filed by the  
18 employee to be defective, the employer shall accept the certificate filed  
19 by the director in lieu of any certificate previously filed by the employee,  
20 and such certificate filed by the executive director shall thereafter form  
21 the basis for withholding FROM wages AND OTHER COMPENSATION as  
22 required by this section. The executive director may also require from the  
23 employer a copy of any withholding certificate signed by the employee.

24 (20) No amount is required to be deducted and withheld from an  
25 employee's wages OR OTHER COMPENSATION pursuant to this section for  
26 income tax due to the state if the employee's withholding certificate  
27 indicates that the compensation is eligible to be subtracted from federal

1 taxable income pursuant to section 39-22-104 (4)(u).

2 **SECTION 14.** In Colorado Revised Statutes, 39-26-102, **amend**  
3 (19)(g) as follows:

4 **39-26-102. Definitions - repeal.** As used in this article 26, unless  
5 the context otherwise requires:

6 (19) (g) (I) (A) For purposes of this subsection (19), BEFORE JULY  
7 1, 2025, "agricultural commodities" does not include products regulated  
8 under article 10 of title 44.

9 (B) THIS SUBSECTION (19)(g)(I) IS REPEALED, EFFECTIVE JULY 1,  
10 2026.

11 (II) FOR PURPOSES OF THIS SUBSECTION (19), ON OR AFTER JULY 1,  
12 2025, "AGRICULTURAL COMMODITIES" INCLUDES PRODUCTS REGULATED  
13 UNDER ARTICLE 10 OF TITLE 44.

14 **SECTION 15.** In Colorado Revised Statutes, 39-26-104, **add**  
15 (1)(c.5) as follows:

16 **39-26-104. Property and services taxed - definitions.** (1) There  
17 is levied and there shall be collected and paid a tax in the amount stated  
18 in section 39-26-106 as follows:

19 (c.5) (I) BEGINNING JULY 1, 2025, UPON TELEPHONE AND  
20 TELEGRAPH SERVICES, WHETHER FURNISHED BY PUBLIC OR PRIVATE  
21 CORPORATIONS OR ENTERPRISES FOR INTERSTATE TELEPHONE AND  
22 TELEGRAPH SERVICE, IF THE TELEPHONE AND TELEGRAPH SERVICE  
23 ORIGINATES OR TERMINATES IN THE STATE AND IS CHARGED TO A  
24 COLORADO ADDRESS.

25 (II) IN ACCORDANCE WITH THE FEDERAL "MOBILE  
26 TELECOMMUNICATIONS SOURCING ACT", 4 U.S.C. SECS. 116 TO 126, AS  
27 AMENDED, MOBILE TELECOMMUNICATION SERVICE PROVIDED TO A

1 CUSTOMER WHOSE PLACE OF PRIMARY USE IS OUTSIDE OF THE BORDERS OF  
2 THE STATE OF COLORADO IS EXEMPT FROM THE TAX IMPOSED BY THIS  
3 SECTION.

4 (III) A TAXPAYER WHO PAYS A TAX LEGALLY IMPOSED BY  
5 ANOTHER STATE ON A TELEPHONE OR TELEGRAPH SERVICE THAT IS  
6 TAXABLE PURSUANT TO THIS SUBSECTION (1)(c.5) IS ALLOWED A CREDIT  
7 AGAINST THE TAX IMPOSED BY THIS SECTION IN AN AMOUNT EQUAL TO THE  
8 AMOUNT OF THE TAX IMPOSED ON A TELEPHONE OR TELEGRAPH SERVICE  
9 BY THE OTHER STATE. A CREDIT ALLOWED PURSUANT TO THIS SUBSECTION  
10 (1)(c.5)(III) SHALL NOT EXCEED THE TAX IMPOSED ON A TELEPHONE OR  
11 TELEGRAPH SERVICE PURSUANT TO THIS SECTION.

12 **SECTION 16.** In Colorado Revised Statutes, **amend** 39-26-726  
13 as follows:

14 **39-26-726. Medical marijuana - debilitating conditions and**  
15 **ability to purchase.** (1) All sales of medical marijuana to a patient who  
16 is determined to be indigent for purposes of waiving the fee required by  
17 section 25-1.5-106 C.R.S., ~~shall be~~ ARE exempt from taxation under part  
18 1 of this ~~article~~ ARTICLE 26. If the patient is determined to be indigent, the  
19 state health agency shall mark ~~his or her~~ THE PATIENT'S registry  
20 identification card as such and the patient shall present the card to the  
21 licensed medical marijuana center to receive the tax exemption.

22 (2) ON OR AFTER JULY 1, 2025, ALL SALES OF MEDICAL MARIJUANA  
23 TO AN INDIVIDUAL WHO PRESENTS A VALID ELECTRONIC BENEFITS  
24 TRANSFER CARD OR OTHER FORM OF IDENTIFICATION USED TO RECEIVE  
25 STATE OR FEDERAL BENEFITS AT THE TIME OF SALE TO A LICENSED  
26 MEDICAL MARIJUANA CENTER ARE EXEMPT FROM TAXATION UNDER PART  
27 1 OF THIS ARTICLE 26.

1           **SECTION 17.** In Colorado Revised Statutes, 39-30-104, **amend**  
2           (1)(a), (2)(c)(I) introductory portion, (2)(c)(I)(B), (2)(c)(III), and  
3           (2)(c)(IV); **repeal** (2)(b); and **repeal and reenact, with amendments,**  
4           (2.5) as follows:

5           **39-30-104. Credit against tax - investment in certain property**  
6           **- definitions.** (1) (a) (I) There ~~shall be~~ is allowed to any person as a  
7           credit against the tax imposed by article 22 of this title 39, for income tax  
8           years commencing on or after January 1, 1986, an amount equal to the  
9           total of three percent of the total qualified investment, as determined  
10          under section 46 (c)(2) of the federal "Internal Revenue Code of 1986",  
11          as amended, in such taxable year in qualified property as defined in  
12          section 48 of the internal revenue code to the extent that such investment  
13          is in property that is used solely and exclusively in an enterprise zone for  
14          at least one year. The references in this subsection (1) to sections 46  
15          (c)(2) and 48 of the internal revenue code mean sections 46 (c)(2) and 48  
16          of the internal revenue code as they existed immediately prior to the  
17          enactment of the federal "Revenue Reconciliation Act of 1990".

18          (II) (A) NOTWITHSTANDING SUBSECTION (1)(a)(I) OF THIS  
19          SECTION, FOR CREDITS ALLOWED BEGINNING IN INCOME TAX YEARS  
20          COMMENCING ON OR AFTER JANUARY 1, 2026, A TAXPAYER IS NOT  
21          ALLOWED A TOTAL CREDIT AMOUNT AGAINST THE TAX IMPOSED BY  
22          ARTICLE 22 OF THIS TITLE 39 PURSUANT TO SUBSECTION (1)(a)(I) OF THIS  
23          SECTION IN EXCESS OF TWO MILLION DOLLARS AND A TAXPAYER MAY NOT  
24          CLAIM A CREDIT PURSUANT TO THIS SUBSECTION (1)(a) IF THE QUALIFIED  
25          PROPERTY IS DIRECTLY USED IN: THE RETAIL SALE OF GASOLINE OR DIESEL  
26          FUEL FOR USE IN MOTOR VEHICLES OR A WIRELESS TELECOMMUNICATIONS  
27          FACILITY.

1 (B) A TAXPAYER MAY SEEK A WAIVER OF THE LIMITATION ON THE  
2 AMOUNT OF CREDIT ESTABLISHED IN SUBSECTION (1)(a)(II)(A) OF THIS  
3 SECTION BY COMPLETING A WRITTEN APPLICATION TO THE COLORADO  
4 ECONOMIC DEVELOPMENT COMMISSION FOR PERMISSION TO BE ALLOWED  
5 A CREDIT IN EXCESS OF THAT LIMITATION FOR THE INCOME TAX YEAR IN  
6 WHICH THE TOTAL QUALIFIED INVESTMENT IS MADE. THE APPLICATION  
7 MUST INCLUDE IDENTIFICATION OF THE SUBSTANTIAL POSITIVE IMPACT  
8 THAT THE WAIVER OF THE LIMITATION WOULD HAVE ON INVESTMENTS AND  
9 ON WELL-PAYING JOBS IN THE ENTERPRISE ZONE, DOCUMENTATION THAT  
10 DEMONSTRATES THAT WITHOUT THE WAIVER OF THE LIMITATION THE  
11 SUBSTANTIAL POSITIVE IMPACT ON INVESTMENTS AND ON WELL-PAYING  
12 JOBS IN THE ENTERPRISE ZONE IS NOT LIKELY TO OCCUR, AND  
13 INFORMATION THAT THE WAIVER OF THE LIMITATION IS A SUBSTANTIAL  
14 FACTOR IN THE TAXPAYER'S DECISION TO MAKE A QUALIFIED INVESTMENT  
15 IN THE START-UP, RETENTION, EXPANSION, OR RELOCATION OF THE  
16 TAXPAYER'S BUSINESS, SUCH THAT WITHOUT THE WAIVER THE TAXPAYER  
17 IS NOT LIKELY TO MAKE THE QUALIFIED INVESTMENT. IN DECIDING  
18 WHETHER TO GRANT THE WAIVER OF THE LIMITATION, THE COMMISSION  
19 MUST CONSIDER THE OVERALL ECONOMIC HEALTH OF THIS STATE AND THE  
20 ECONOMIC VIABILITY OF THE ARGUMENTS MADE BY THE TAXPAYER IN  
21 SUPPORT OF THE TAXPAYER'S APPLICATION. THE COLORADO ECONOMIC  
22 DEVELOPMENT COMMISSION MAY REQUIRE THE TAXPAYER TO PROVIDE AN  
23 INDEPENDENT ANALYSIS, AT THE TAXPAYER'S EXPENSE, THAT  
24 SUBSTANTIATES THE TAXPAYER'S ARGUMENTS IN SUPPORT OF THE  
25 APPLICATION. THE TAXPAYER'S APPLICATION MUST BE CONSIDERED AT A  
26 REGULARLY SCHEDULED MEETING OF THE COLORADO ECONOMIC  
27 DEVELOPMENT COMMISSION AT WHICH THE PUBLIC IS ALLOWED TO

1 COMMENT.

2 (C) THE COLORADO ECONOMIC DEVELOPMENT COMMISSION MAY  
3 ALLOW ALL, PART, OR NONE OF A TAXPAYER'S APPLICATION TO WAIVE THE  
4 LIMITATION ON THE AMOUNT OF CREDIT ESTABLISHED IN SUBSECTION  
5 (1)(a)(II)(A) OF THIS SECTION. THE COLORADO ECONOMIC DEVELOPMENT  
6 COMMISSION MUST ISSUE A CREDIT CERTIFICATE THAT SETS FORTH THE  
7 AMOUNT OF THE CREDIT THAT THE TAXPAYER IS ALLOWED FOR THE  
8 INCOME TAX YEAR IN WHICH THE TOTAL QUALIFIED INVESTMENT IS MADE.  
9 THE TAXPAYER SHALL SUBMIT THE CREDIT CERTIFICATE TO THE  
10 DEPARTMENT OF REVENUE WITH THE TAXPAYER'S INCOME TAX RETURN  
11 FOR THE TAX YEAR FOR WHICH THE COLORADO ECONOMIC DEVELOPMENT  
12 COMMISSION ISSUED THE CREDIT CERTIFICATE.

13 (D) IF THE COLORADO ECONOMIC DEVELOPMENT COMMISSION  
14 APPROVES, IN WHOLE OR IN PART, A TAXPAYER'S APPLICATION TO WAIVE  
15 THE LIMITATION ON THE AMOUNT OF CREDIT ESTABLISHED IN SUBSECTION  
16 (1)(a)(II)(A) OF THIS SECTION, THE COLORADO ECONOMIC DEVELOPMENT  
17 COMMISSION SHALL INCLUDE ITS DECISION IN THE ENTERPRISE ZONE  
18 ANNUAL REPORT TO THE GENERAL ASSEMBLY, INCLUDING THE TAXPAYER'S  
19 NAME, THE AMOUNT OF THE CREDIT THAT THE COMMISSION ALLOWED,  
20 AND THE COLORADO ECONOMIC DEVELOPMENT COMMISSION'S  
21 JUSTIFICATION FOR APPROVING THE APPLICATION.

22 (E) FOR PURPOSES OF THIS SUBSECTION (1)(a), "WIRELESS  
23 TELECOMMUNICATIONS FACILITY" OR "FACILITY" MEANS EQUIPMENT AT  
24 A FIXED LOCATION THAT ENABLES WIRELESS COMMUNICATIONS BETWEEN  
25 USER EQUIPMENT AND A COMMUNICATIONS NETWORK, INCLUDING MACRO  
26 AND SMALL WIRELESS FACILITIES, TRANSCEIVERS, ANTENNAS, BACKUP  
27 POWER SUPPLIES, AND COMPARABLE EQUIPMENT, REGARDLESS OF

1 TECHNOLOGICAL CONFIGURATION; AND THE SUPPORT STRUCTURE OR  
2 IMPROVEMENTS ON, UNDER, OR WITHIN WHICH THE EQUIPMENT IS  
3 COLLOCATED.

4 (2) (b) ~~In addition to the limitations set forth in paragraph (a) of~~  
5 ~~this subsection (2), for income tax years commencing on or after January~~  
6 ~~1, 2011, but prior to January 1, 2014, any taxpayer that is eligible to claim~~  
7 ~~a credit pursuant to subsection (1) of this section in excess of five~~  
8 ~~hundred thousand dollars shall defer claiming any amount of the credit~~  
9 ~~allowed pursuant to this section that exceeds five hundred thousand~~  
10 ~~dollars until an income tax year commencing on or after January 1, 2014.~~  
11 ~~The five hundred thousand dollar limitation specified in this paragraph~~  
12 ~~(b) shall apply to any credit allowed in the income tax years commencing~~  
13 ~~on or after January 1, 2011, but prior to January 1, 2014, including any~~  
14 ~~amount carried forward from a prior year.~~

15 (c) (I) For income tax years commencing on or after January 1,  
16 2014, except as provided in ~~section~~ SECTIONS 24-46-104.3 AND 24-46-108  
17 and subsection (2)(c)(II) of this section, the amount that may be claimed  
18 by a taxpayer for an income tax year and that is not applied or refunded  
19 under section 24-46-108 is limited to the lesser of:

20 (B) Seven hundred fifty thousand dollars plus any investment tax  
21 credit carryovers previously allowed in subsection (2.5) of this section  
22 FOR INVESTMENTS MADE IN INCOME TAX YEARS COMMENCING BEFORE  
23 JANUARY 1, 2014.

24 (III) (A) Except as otherwise provided in sections 24-46-104.3;  
25 ~~24-46-107~~, and 24-46-108 and subsection (2)(c)(III)(B) of this section,  
26 any excess credit allowed pursuant to this subsection (2)(c) shall be an  
27 investment tax credit carryover to each of the fourteen income tax years

1 following the unused credit year.

2 (B) Except as otherwise provided in ~~sections~~ SECTION  
3 24-46-104.3, ~~and 24-46-107~~, any excess credit allowed pursuant to this  
4 subsection (2)(c) for a renewable energy investment made in an income  
5 tax year commencing before January 1, 2018, shall be an investment tax  
6 credit carryover for twenty-two income tax years following the year the  
7 credit was originally allowed.

8 (IV) The limitation contained in this ~~paragraph (c)~~ SUBSECTION  
9 (2)(c) on the amount a taxpayer may claim for the income tax year in  
10 which the total qualified investment is made does not limit the total  
11 amount of the credit allowed under ~~subsection (1)~~ SUBSECTION (1)(a) of  
12 this section, nor does it limit the ability of a taxpayer to ~~carryover~~ CARRY  
13 OVER a credit to subsequent tax years as allowed in ~~subparagraph (III) of~~  
14 ~~this paragraph (c)~~ SUBSECTION (2)(c)(III) OF THIS SECTION or previously  
15 allowed in subsection (2.5) of this section FOR INVESTMENTS MADE IN  
16 INCOME TAX YEARS COMMENCING BEFORE JANUARY 1, 2014.

17 (2.5) (a) (I) Notwithstanding section 39-22-507.5 (7)(b), except  
18 as provided in ~~sections~~ SECTION 24-46-107 ~~and 24-46-108~~, and except as  
19 otherwise provided in subsections (2.5)(a)(II) and (2.5)(b) of this section,  
20 any excess credit allowed pursuant to this section ~~and not applied or~~  
21 ~~refunded under section 24-46-108~~ FOR AN INVESTMENT MADE IN AN  
22 INCOME TAX YEAR COMMENCING BEFORE JANUARY 1, 2014, shall be an  
23 investment tax credit carryover to each of the twelve income tax years  
24 following the unused credit year.

25 (II) Except as provided in section 24-46-107, any excess credit  
26 claimed pursuant to this section for a renewable energy investment made  
27 in an income tax year commencing before ~~January 1, 2018, shall be~~



1 JANUARY 1, 2014, IS an investment tax credit carryover for twenty income  
2 tax years following the year the credit was originally allowed.

3 (b) (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
4 JANUARY 1, 2011, BUT PRIOR TO JANUARY 1, 2014, ANY TAXPAYER THAT  
5 IS ELIGIBLE TO CLAIM A CREDIT PURSUANT TO SUBSECTION (1) OF THIS  
6 SECTION IN EXCESS OF FIVE HUNDRED THOUSAND DOLLARS SHALL DEFER  
7 CLAIMING ANY AMOUNT OF THE CREDIT ALLOWED PURSUANT TO THIS  
8 SECTION THAT EXCEEDS FIVE HUNDRED THOUSAND DOLLARS UNTIL AN  
9 INCOME TAX YEAR COMMENCING ON OR AFTER JANUARY 1, 2014. THE FIVE  
10 HUNDRED THOUSAND DOLLAR LIMITATION SPECIFIED IN THIS SUBSECTION  
11 (2.5)(b) APPLIES TO ANY CREDIT ALLOWED IN THE INCOME TAX YEARS  
12 COMMENCING ON OR AFTER JANUARY 1, 2011, BUT PRIOR TO JANUARY 1,  
13 2014, INCLUDING ANY AMOUNT CARRIED FORWARD FROM A PRIOR YEAR.

14 (II) EXCEPT AS PROVIDED IN SECTION 24-46-107 AND SUBSECTION  
15 (2.5)(b)(III) OF THIS SECTION, A TAXPAYER THAT DEFERRED CLAIMING  
16 ANY CREDIT IN EXCESS OF FIVE HUNDRED THOUSAND DOLLARS DURING AN  
17 INCOME TAX YEAR COMMENCING ON OR AFTER JANUARY 1, 2011, BUT  
18 PRIOR TO JANUARY 1, 2014, PURSUANT TO SUBSECTION (2.5)(b)(I) OF THIS  
19 SECTION SHALL BE ALLOWED TO CLAIM THE DEFERRED CREDIT AS AN  
20 INVESTMENT TAX CREDIT CARRYOVER FOR TWELVE INCOME TAX YEARS  
21 FOLLOWING THE YEAR THE CREDIT WAS ORIGINALLY ALLOWED PLUS ONE  
22 ADDITIONAL INCOME TAX YEAR FOR EACH INCOME TAX YEAR THAT THE  
23 CREDIT WAS DEFERRED PURSUANT TO SUBSECTION (2.5)(b)(I) OF THIS  
24 SECTION.

25 (III) EXCEPT AS PROVIDED IN SECTION 24-46-107, A TAXPAYER IS  
26 ALLOWED TO CLAIM THE DEFERRED CREDIT DESCRIBED IN SUBSECTION  
27 (2.5)(b)(II) OF THIS SECTION FOR A RENEWABLE ENERGY INVESTMENT

1     MADE IN AN INCOME TAX YEAR COMMENCING BEFORE JANUARY 1, 2014,  
2     AS AN INVESTMENT TAX CREDIT CARRYOVER FOR TWENTY INCOME TAX  
3     YEARS FOLLOWING THE YEAR THE CREDIT WAS ORIGINALLY ALLOWED PLUS  
4     ONE ADDITIONAL INCOME TAX YEAR FOR EACH INCOME TAX YEAR THAT  
5     THE CREDIT WAS DEFERRED PURSUANT TO SUBSECTION (2.5)(b)(I) OF THIS  
6     SECTION.

7             (c) THIS SUBSECTION (2.5) IS REPEALED, EFFECTIVE JANUARY 1,  
8     2040.

9             **SECTION 18. Effective date - applicability.** This act takes  
10    effect upon passage; except that section 6 takes effect January 1, 2026.

11            **SECTION 19. Safety clause.** The general assembly finds,  
12    determines, and declares that this act is necessary for the immediate  
13    preservation of the public peace, health, or safety or for appropriations for  
14    the support and maintenance of the departments of the state and state  
15    institutions.