

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

REENGROSSED

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

LLS NO. 25-1054.01 Pierce Lively x2059

SENATE BILL 25-307

SENATE SPONSORSHIP

Amabile and Bridges, Kirkmeyer

HOUSE SPONSORSHIP

Sirota and Bird, Taggart

Senate Committees
Appropriations

House Committees

A BILL FOR AN ACT

101 CONCERNING THE DECARBONIZATION TAX CREDITS ADMINISTRATION
102 CASH FUND, AND, IN CONNECTION THEREWITH, REQUIRING THAT
103 MONEY CREDITED TO THE FUND NOT EXCEED THE NET REVENUE
104 FROM THE COLLECTION OF OIL AND GAS SEVERANCE TAX,
105 TRANSFERRING TWO MILLION FIVE HUNDRED THOUSAND
106 DOLLARS FROM THE ENERGY AND CARBON MANAGEMENT CASH
107 FUND TO THE FUND, AND TRANSFERRING TWO MILLION FIVE
108 HUNDRED THOUSAND DOLLARS FROM THE FUND TO THE ENERGY
109 AND CARBON MANAGEMENT CASH FUND.

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

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
3rd Reading Unamended
April 28, 2025

SENATE
2nd Reading Unamended
April 25, 2025

applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

Joint Budget Committee. For state fiscal years 2023-24 through 2026-27, current law requires the state treasurer to credit to the decarbonization tax credits administration cash fund (fund) oil and gas severance tax revenue equal to the amount attributable to the decreased severance tax credit allowed for oil and gas production for tax years 2024 through 2026. **Section 2** of the bill provides that for state fiscal years 2024-25 and 2025-26, oil and gas severance tax revenue credited to the fund shall not exceed the net revenue from the oil and gas severance tax collection.

Section 3 requires the state treasurer to transfer \$2,500,000 from the energy and carbon management cash fund to the fund on June 30, 2025.

Section 1 requires the state treasurer to transfer \$2,500,000 from the fund to the energy and carbon management cash fund on January 1, 2026.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-38.5-120, **add**
3 (3.5) as follows:

4 **24-38.5-120. Decarbonization tax credits administration cash**
5 **fund - definitions - repeal.** (3.5) (a) ON JANUARY 1, 2026, THE STATE
6 TREASURER SHALL TRANSFER TWO MILLION FIVE HUNDRED THOUSAND
7 DOLLARS FROM THE FUND TO THE ENERGY AND CARBON MANAGEMENT
8 CASH FUND CREATED IN SECTION 34-60-122 (5).

9 (b) THIS SUBSECTION (3.5) IS REPEALED, EFFECTIVE JULY 1, 2026.

10 **SECTION 2.** In Colorado Revised Statutes, 39-29-108, **amend**
11 (2)(e)(I); and **add** (2)(e)(IV) as follows:

12 **39-29-108. Allocation of severance tax revenues - definitions**
13 **- repeal.** (2) (e) (I) ~~Except as provided in subsection (2)(e)(II) of this~~
14 ~~section~~; For the state fiscal years 2023-24 through 2026-27, the state
15 treasurer shall credit the discrete increased amount of severance tax for

1 oil and gas production that is attributable to the reduction of the credit
2 against tax pursuant to section 39-29-105 (2)(b)(II) and 39-29-105 (2)(c)
3 to the decarbonization tax credits administration cash fund created in
4 section 24-38.5-120 (2); EXCEPT THAT, FOR STATE FISCAL YEARS 2024-25
5 AND 2025-26, MONEY CREDITED TO THE DECARBONIZATION TAX CREDITS
6 ADMINISTRATION CASH FUND SHALL NOT EXCEED THE NET REVENUE FROM
7 THE OIL AND GAS SEVERANCE TAX COLLECTION.

8 (IV) THIS SUBSECTION (2)(e) IS REPEALED, EFFECTIVE DECEMBER
9 31, 2036.

10 **SECTION 3.** In Colorado Revised Statutes, 34-60-122, **add** (5)(f)
11 as follows:

12 **34-60-122. Expenses - energy and carbon management cash**
13 **fund created - repeal.** (5) (f) (I) ON JUNE 30, 2025, THE STATE
14 TREASURER SHALL TRANSFER TWO MILLION FIVE HUNDRED THOUSAND
15 DOLLARS FROM THE ENERGY AND CARBON MANAGEMENT CASH FUND TO
16 THE DECARBONIZATION TAX CREDITS ADMINISTRATION CASH FUND
17 CREATED IN SECTION 24-38.5-120 (2).

18 (II) THIS SUBSECTION (5)(f) IS REPEALED, EFFECTIVE JULY 1, 2026.

19 **SECTION 4. Safety clause.** The general assembly finds,
20 determines, and declares that this act is necessary for the immediate
21 preservation of the public peace, health, or safety or for appropriations for
22 the support and maintenance of the departments of the state and state
23 institutions.