

GREEN GIVE BACK – SECOND LEGISLATIVE COUNCIL DISCUSSION DRAFT

**PRIMARY VEHICLE USE LIMITATION DEDUCTION
AGAINST GROSS INCOME**

Received
Legislative Council Staff
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Be it enacted by the People of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, add 39-22-543 as follows:

39-22-543. Deduction from Colorado Gross Income for Economic Use of Primary Vehicle. (1) DECLARATION OF THE PEOPLE OF COLORADO: TRAFFIC ON COLORADO’S ROADS CONTINUES TO INCREASE. BECAUSE COLORADO IS COMMITTED TO REDUCING THE IMPACT OF VEHICLE EMISSIONS ON OUR ENVIRONMENT AND BECAUSE IT IS IMPORTANT TO MAKE ENVIRONMENTALLY RESPONSIBLE CHOICES ECONOMICALLY FEASIBLE FOR ALL COLORADANS, THE STATE SHOULD ACT TO INCENTIVIZE RESPONSIBLE USE OF PERSONAL VEHICLES. ACCORDINGLY, ALL COLORADO RESIDENTS SHOULD BE PERMITTED TO CLAIM A DEDUCTION FROM COLORADO GROSS INCOME IF THEY DRIVE THEIR PRIMARY VEHICLE LESS THAN 12,000 MILES PER CALENDAR YEAR.

(2)(a) FOR TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2021, THERE SHALL BE ALLOWED TO ANY RESIDENT INDIVIDUAL WHO OPERATES THEIR PRIMARY MOTOR VEHICLE LESS THAN 9,000 MILES DURING THE TAX YEAR, A DEDUCTION FROM COLORADO GROSS INCOME OF \$10,000.00.

(b) FOR TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2021, THERE SHALL BE ALLOWED TO ANY RESIDENT INDIVIDUAL WHO OPERATES THEIR PRIMARY MOTOR VEHICLE GREATER THAN 9,000 MILES, BUT LESS THAN 12,000 MILES DURING THE TAX YEAR, A DEDUCTION FROM COLORADO GROSS INCOME OF \$5,000.00.

(3)(a) AS USED IN THIS SECTION, “PRIMARY MOTOR VEHICLE” MEANS THE MOTOR VEHICLE, AS DEFINED AT SECTION 42-1-102(58), THAT IS (I) OPERATED THE MOST MILES BY THE RESIDENT INDIVIDUAL IN THE TAX YEAR FOR WHICH A DEDUCTION TO COLORADO GROSS INCOME UNDER THIS SECTION IS CLAIMED AND (II) OPERATED BY THE RESIDENT INDIVIDUAL FOR OVER SIX MONTHS IN THE TAX FOR WHICH A DEDUCTION TO COLORADO GROSS INCOME UNDER THIS SECTION IS CLAIMED.

(b) ONLY ONE RESIDENT INDIVIDUAL MAY CLAIM A DEDUCTION TO COLORADO GROSS INCOME UNDER THIS SECTION FOR ANY GIVEN MOTOR VEHICLE FOR ANY TAX YEAR.

(4) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE MAY PROMULGATE RULES FOR THE ADMINISTRATION OF THIS SECTION.

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(5) THIS SECTION IS REPEALED EFFECTIVE JANUARY 1, 2031

SECTION 2. Effective date - applicability. All Sections shall take effect on January 1, 2021.

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