

First Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 25-0391.01 Jessica Herrera x4218

HOUSE BILL 25-1005

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HOUSE SPONSORSHIP

McCluskie and Titone,

SENATE SPONSORSHIP

Amabile and Baisley,

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House Committees  
Business Affairs & Labor

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING THE CREATION OF TAX INCENTIVES TO SUPPORT THE  
102 FILM FESTIVAL INDUSTRY.

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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 creates a new refundable tax credit only if at least one qualified film festival with a multi-decade operating history and a verifiable track record of attracting 100,000 or more in-person ticket sales and over 10,000 out-of-state and international attendees (global film festival) commences the relocation of the festival to Colorado by January 1, 2026. Upon relocation, for calendar years commencing on or after

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.

January 1, 2027, but before January 1, 2037, the maximum aggregate amount of refundable tax credits that any qualified global film festival entity is eligible to receive is \$34 million and the maximum aggregate amount that all existing or small Colorado festival entities collectively may receive is \$5 million.

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-571 as  
3 follows:

4           **39-22-571. Film festival incentive tax credit - tax preference**  
5 **performance statement - legislative declaration - definitions - repeal.**

6 (1) (a) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

7           (I) COLORADO'S FILM FESTIVAL INDUSTRY HAS THE ABILITY TO BE  
8 A TRUE ECONOMIC DRIVER IN THE STATE; AND

9           (II) BY PROVIDING A TAX INCENTIVE TO BIG FILM FESTIVALS TO  
10 RELOCATE TO COLORADO, A SINGLE BIG FESTIVAL COULD BRING OVER  
11 TWENTY THOUSAND OUT OF STATE VISITORS, LEADING TO A BOOST IN  
12 LOCAL ECONOMIES, AN INCREASE IN SALES AND USE TAX REVENUE, AND  
13 JOB CREATION.

14           (b) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH  
15 REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE  
16 A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY  
17 LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS AND  
18 DECLARES THAT THE PURPOSE OF THE TAX CREDITS PROVIDED FOR IN THIS  
19 SECTION IS TO INDUCE DESIGNATED BEHAVIOR BY TAXPAYERS AND TO  
20 PROVIDE A REDUCTION IN INCOME TAX LIABILITY FOR CERTAIN BUSINESSES  
21 OR INDIVIDUALS BY ALLOWING FILM FESTIVAL ORGANIZERS TO RECEIVE A  
22 CREDIT AGAINST INCOME TAX OR AN INCOME TAX REFUND FOR QUALIFIED  
23 EXPENDITURES IF CERTAIN CRITERIA ARE MET. SPECIFICALLY, THESE TAX

1 EXPENDITURES ARE INTENDED TO INCENTIZE FILM FESTIVAL ORGANIZERS  
2 TO RELOCATE TO COLORADO AND, IN PARTICULAR, FOR BIG FILM  
3 FESTIVALS TO BOOST LOCAL ECONOMIES, INCREASE SALES AND USE TAX  
4 REVENUE, AND CREATE NEW JOBS.

5 (c) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL  
6 MEASURE THE EFFECTIVENESS OF THE TAX CREDIT IN ACHIEVING THE  
7 PURPOSES SPECIFIED IN SUBSECTION (1)(b) OF THIS SECTION BASED ON THE  
8 AMOUNT OF QUALIFIED EXPENDITURES MADE IN COLORADO, THE NUMBER  
9 OF VISITORS ATTENDING FILM FESTIVALS IN THE STATE, AND THE AMOUNT  
10 OF STATE AND LOCAL SALES AND USE TAX COLLECTED THAT CAN BE  
11 ATTRIBUTED TO SUCH FILM FESTIVALS.

12 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
13 REQUIRES:

14 (a) "GLOBAL FILM FESTIVAL ENTITY" MEANS A FILM FESTIVAL  
15 ENTITY THAT IS EITHER A TAX-EXEMPT ENTITY UNDER 26 U.S.C. SEC. 501  
16 (c)(3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986" OR A  
17 FOR-PROFIT ENTITY WITH A MULTI-DECADE OPERATING HISTORY AND A  
18 VERIFIABLE ANNUAL TRACK RECORD OF ATTRACTING ONE HUNDRED  
19 THOUSAND OR MORE IN-PERSON TICKET SALES AND TENS OF THOUSANDS  
20 OF OUT-OF-STATE AND INTERNATIONAL ATTENDEES.

21 (b) "EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY"  
22 MEANS A FILM FESTIVAL ENTITY THAT IS NOT A GLOBAL FILM FESTIVAL  
23 ENTITY. A FILM FESTIVAL MAY BE AN ENTITY THAT PROVIDES VIDEO,  
24 TELEVISION, NEW MEDIA, OR CONTENT CREATION EXHIBITION.

25 (c) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC  
26 DEVELOPMENT CREATED IN SECTION 24-48.5-101 (1).

27 (d) "QUALIFIED EXPENDITURE" MEANS A PAYMENT MADE BY A

1 GLOBAL FILM FESTIVAL ENTITY OR AN EXISTING COLORADO OR SMALL  
2 FILM FESTIVAL ENTITY OPERATING IN COLORADO IN CONNECTION WITH  
3 THE FILM FESTIVAL TAKING PLACE IN COLORADO. QUALIFIED  
4 EXPENDITURES FOR AN EXISTING OR SMALL COLORADO FILM FESTIVAL ARE  
5 LIMITED TO THOSE INCURRED IN COLORADO IN ACCORDANCE WITH  
6 POLICIES AND PROCEDURES DETERMINED BY THE OFFICE. "QUALIFIED  
7 EXPENDITURE" INCLUDES, BUT IS NOT LIMITED TO:

8 (I) SALARIES AND BENEFITS OF EMPLOYEES OF THE ENTITY THAT  
9 OPERATES THE FESTIVAL;

10 (II) COSTS ASSOCIATED WITH CONTRACTORS THAT FACILITATE THE  
11 OPERATION OF THE FESTIVAL;

12 (III) COSTS ASSOCIATED WITH THE RENTAL OF FILMS, EQUIPMENT,  
13 STORAGE, VENUES, AND OFFICE OR OTHER SPACE TO OPERATE THE  
14 FESTIVAL;

15 (IV) COSTS ASSOCIATED WITH RENTAL EXPENSES OR BUILDING  
16 OPERATION EXPENSES OF THE ENTITY THAT OPERATES THE FESTIVAL;

17 (V) TRAVEL EXPENSES FOR INDIVIDUALS ASSOCIATED WITH THE  
18 ENTITY THAT OPERATES THE FESTIVAL, INCLUDING TRAVEL EXPENSES FOR  
19 CONTRACTORS AND TALENT;

20 (VI) ANY OTHER COSTS INCURRED BY THE ENTITY ASSOCIATED  
21 WITH INSURANCE, TICKETS, MARKETING, AND OTHER RELATED FILM  
22 PROGRAMMING EVENTS;

23 (VII) CAPITAL COSTS TO OPERATE THE FILM FESTIVAL IN  
24 COLORADO; AND

25 (VIII) DEPRECIABLE INVESTMENTS IN REAL OR BUSINESS  
26 PERSONAL PROPERTY IN COLORADO THAT ARE NEEDED TO OPERATE THE  
27 FILM FESTIVAL.

1           (3) (a) SUBJECT TO SUBSECTION (3)(f) OF THIS SECTION, FOR THE  
2 CALENDAR YEARS COMMENCING ON OR AFTER JANUARY 1, 2027, BUT  
3 BEFORE JANUARY 1, 2029, THERE IS ALLOWED A TAX CREDIT RESERVATION  
4 WITH RESPECT TO INCOME TAXES IMPOSED PURSUANT TO THIS ARTICLE 22  
5 TO ANY GLOBAL FILM FESTIVAL ENTITY IN AN AMOUNT EQUAL TO THE  
6 AMOUNT OF QUALIFIED EXPENDITURES WITH AN AGGREGATE LIMIT OF  
7 FOUR MILLION DOLLARS FOR EACH RESPECTIVE CALENDAR YEAR.

8           (b) SUBJECT TO SUBSECTION (3)(f) OF THIS SECTION, FOR THE  
9 CALENDAR YEAR COMMENCING ON JANUARY 1, 2029, THERE IS ALLOWED  
10 A TAX CREDIT RESERVATION WITH RESPECT TO INCOME TAXES IMPOSED  
11 PURSUANT TO THIS ARTICLE 22 TO ANY GLOBAL FILM FESTIVAL ENTITY IN  
12 AN AMOUNT EQUAL TO THE AMOUNT OF QUALIFIED EXPENDITURES WITH  
13 AN AGGREGATE LIMIT OF FIVE MILLION DOLLARS FOR THAT CALENDAR  
14 YEAR.

15           (c) SUBJECT TO SUBSECTION (3)(f) OF THIS SECTION, FOR THE  
16 CALENDAR YEARS COMMENCING ON OR AFTER JANUARY 1, 2030, BUT  
17 BEFORE JANUARY 1, 2037, THERE IS ALLOWED A TAX CREDIT RESERVATION  
18 WITH RESPECT TO INCOME TAXES IMPOSED PURSUANT TO THIS ARTICLE 22  
19 TO ANY GLOBAL FILM FESTIVAL ENTITY IN AN AMOUNT EQUAL TO THE  
20 AMOUNT OF QUALIFIED EXPENDITURES WITH AN AGGREGATE LIMIT OF  
21 THREE MILLION DOLLARS FOR EACH RESPECTIVE CALENDAR YEAR.

22           (d) SUBJECT TO SUBSECTION (3)(f) OF THIS SECTION, FOR THE  
23 CALENDAR YEARS COMMENCING ON OR AFTER JANUARY 1, 2027, BUT  
24 BEFORE JANUARY 1, 2037, THERE SHALL BE ALLOWED A TAX CREDIT  
25 RESERVATION WITH RESPECT TO INCOME TAXES IMPOSED PURSUANT TO  
26 THIS ARTICLE 22 TO EXISTING OR SMALL COLORADO FILM FESTIVAL  
27 ENTITIES IN AN AMOUNT EQUAL TO QUALIFIED EXPENDITURES WITH A

1 COMBINED AGGREGATE OF FIVE HUNDRED THOUSAND DOLLARS ACROSS  
2 ALL EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITIES FOR EACH  
3 RESPECTIVE CALENDAR YEAR.

4 (e) THE TAX CREDIT ALLOWED PURSUANT TO THIS SECTION SHALL  
5 BE ADMINISTERED BY THE OFFICE JOINTLY WITH THE COLORADO OFFICE OF  
6 FILM, TELEVISION, AND MEDIA AND THE DIVISION OF BUSINESS FUNDING  
7 AND INCENTIVES, OR THEIR SUCCESSOR DIVISIONS OR OFFICES.

8 (f) THE TAX CREDIT CREATED IN THIS SECTION IS NOT ALLOWED TO  
9 ANY QUALIFIED APPLICANT UNLESS AT LEAST ONE QUALIFIED GLOBAL FILM  
10 FESTIVAL ENTITY COMMENCES THE RELOCATION OF THE FESTIVAL TO  
11 COLORADO BY JANUARY 1, 2026. THE OFFICE SHALL DETERMINE IF THE  
12 RELOCATION REQUIREMENT OF THIS SUBSECTION (3)(f) IS SATISFIED AND  
13 NOTIFY THE DEPARTMENT.

14 (4) (a) A GLOBAL FILM FESTIVAL ENTITY OR AN EXISTING OR  
15 SMALL COLORADO FILM FESTIVAL ENTITY MAY RECEIVE A TAX CREDIT  
16 PURSUANT TO SUBSECTION (3) OF THIS SECTION IN THE CALENDAR YEAR IN  
17 WHICH THE FESTIVAL OCCURRED OR THE CALENDAR YEAR FOLLOWING THE  
18 YEAR IN WHICH THE FESTIVAL OCCURRED IN ACCORDANCE WITH THE  
19 PROGRAM POLICIES AND PROCEDURES DETERMINED BY THE OFFICE.

20 (b) FOR PURPOSES OF THIS SECTION, ANY QUALIFIED EXPENDITURE  
21 THAT OCCURRED IN THE PRECEDING ELEVEN MONTHS PRIOR TO THE  
22 COMMENCEMENT OF A RESPECTIVE CALENDAR YEAR MAY BE CONSIDERED  
23 WHEN DETERMINING THE AMOUNT OF TAX CREDIT FOR WHICH A GLOBAL  
24 FILM FESTIVAL ENTITY OR AN EXISTING OR SMALL COLORADO FILM  
25 FESTIVAL ENTITY IS ELIGIBLE.

26 (5) (a) THE OFFICE SHALL DEVELOP AND PUBLISH PROGRAM  
27 POLICIES AND PROCEDURES FOR THE ADMINISTRATION OF THIS SECTION,

1 INCLUDING APPLICATION GUIDELINES FOR A GLOBAL FILM FESTIVAL ENTITY  
2 AND FOR AN EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY  
3 APPLYING TO RECEIVE A TAX CREDIT RESERVATION OR ISSUANCE UNDER  
4 THIS SECTION. THE OFFICE MAY INCLUDE GUARDRAILS OR REQUIREMENTS  
5 THAT THE APPLICANT MUST SATISFY BEFORE A TAX CREDIT RESERVATION  
6 OR ISSUANCE OCCURS.

7 (b) WHEN DETERMINING THE PRIORITY OF RESERVATION OF A TAX  
8 CREDIT FOR AN EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY, IF  
9 THERE ARE MORE REQUESTS FOR TAX CREDIT RESERVATIONS THAN THERE  
10 ARE RESERVATIONS AVAILABLE, THE OFFICE MUST PROVIDE PRIORITY TO  
11 EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITIES THAT:

12 (I) DEMONSTRATE HISTORIC AND PROJECTED COMMUNITY AND  
13 ECONOMIC IMPACT;

14 (II) DEMONSTRATE COMMUNITY SUPPORT THROUGH LETTERS OF  
15 RECOMMENDATION INCLUDING, BUT NOT LIMITED TO, LETTERS FROM  
16 LOCAL ELECTED OFFICIALS OR LOCAL GOVERNING BODIES SUCH AS THE  
17 MAYOR, CITY COUNCIL, OR THE BOARD OF COUNTY COMMISSIONERS;

18 (III) INCREASE GEOGRAPHIC EQUITY;

19 (IV) DEMONSTRATE INNOVATION AND UNIQUENESS; OR

20 (V) ADDRESS A MARKET OR ENVIRONMENTAL CHANGE OUTSIDE OF  
21 THEIR CONTROL.

22 (6) (a) FOR A GLOBAL FILM FESTIVAL ENTITY TO CLAIM A TAX  
23 CREDIT PURSUANT TO SUBSECTION (3) OF THIS SECTION, THE GLOBAL FILM  
24 FESTIVAL ENTITY MUST APPLY TO THE OFFICE FOR THE RESERVATION OF A  
25 TAX CREDIT AT A TIME AND IN A MANNER DETERMINED IN THE PROGRAM  
26 POLICIES AND PROCEDURES. A GLOBAL FILM FESTIVAL ENTITY MAY  
27 REQUEST RESERVATIONS OF TAX CREDITS IN AN AMOUNT UP TO

1 THIRTY-FOUR MILLION DOLLARS IN ACCORDANCE WITH SUBSECTION (3) OF  
2 THIS SECTION. THE APPLICATION MUST INCLUDE A STATEMENT OF INTENT  
3 BY THE GLOBAL FILM FESTIVAL ENTITY TO ORGANIZE A FESTIVAL IN  
4 COLORADO. THE GLOBAL FILM FESTIVAL ENTITY MUST SUBMIT, IN  
5 CONJUNCTION WITH THE APPLICATION, ANY DOCUMENTATION NECESSARY  
6 TO DEMONSTRATE THAT IT MEETS THE DEFINITION OF A GLOBAL FILM  
7 FESTIVAL ENTITY, AS DEFINED IN SUBSECTION (2)(a) OF THIS SECTION, AND  
8 ANY OTHER INFORMATION REQUIRED BY THE OFFICE. IF THE OFFICE IS  
9 MAKING A MULTI-YEAR TAX CREDIT RESERVATION, IT SHALL DOCUMENT  
10 THE MULTI-YEAR TAX CREDIT RESERVATION IN A WRITTEN TAX CREDIT  
11 AGREEMENT.

12 (b) THE OFFICE SHALL REVIEW EACH TAX CREDIT RESERVATION  
13 APPLICATION SUBMITTED BY A GLOBAL FILM FESTIVAL ENTITY AND, BASED  
14 ON THE INFORMATION PROVIDED IN THE APPLICATION, THE OFFICE SHALL  
15 MAKE A DETERMINATION OF WHETHER THE GLOBAL FILM FESTIVAL ENTITY  
16 WILL RECEIVE A TAX CREDIT RESERVATION AND THE AMOUNT OF THAT  
17 RESERVATION. THE OFFICE MUST ESTABLISH AND PROVIDE WRITTEN  
18 NOTICE TO THE GLOBAL FILM FESTIVAL ENTITY OF THE MINIMUM FESTIVAL  
19 OPERATING REQUIREMENTS AS PART OF THE RESERVATION PROCESS FOR  
20 THE GLOBAL FILM FESTIVAL ENTITY TO RECEIVE A TAX CREDIT, WHICH  
21 MAY INCLUDE, BUT ARE NOT LIMITED TO, THE NUMBER OF FILMS REQUIRED  
22 TO BE SCREENED, THE MARKETING BUDGET, THE LENGTH OF THE FESTIVAL  
23 IN DAYS, THE LOCATION OF THE FESTIVAL, THE TIME DURING THE YEAR  
24 WHEN THE FESTIVAL IS REQUIRED TO TAKE PLACE, AND OTHER  
25 GUARDRAILS AS DETERMINED BY THE OFFICE.

26 (c) UPON COMPLETION OF THE QUALIFIED EXPENDITURES, A  
27 GLOBAL FILM FESTIVAL ENTITY THAT RECEIVED A TAX CREDIT



1 RESERVATION FROM THE OFFICE MUST RETAIN A CERTIFIED PUBLIC  
2 ACCOUNTANT LICENCED TO PRACTICE IN THE STATE OR A CERTIFIED  
3 PUBLIC ACCOUNTING FIRM THAT IS REGISTERED IN THE STATE TO REVIEW  
4 AND REPORT IN WRITING, AND IN ACCORDANCE WITH PROFESSIONAL  
5 STANDARDS, REGARDING THE ACCURACY OF THE FINANCIAL DOCUMENTS  
6 THAT DETAIL THE EXPENSES INCURRED IN THE COURSE OF THE  
7 ORGANIZATION OF THE FILM FESTIVAL IN COLORADO. THE CERTIFIED  
8 PUBLIC ACCOUNTANT'S WRITTEN REPORT MUST INCLUDE DOCUMENTATION  
9 OF THE GLOBAL FILM FESTIVAL ENTITY'S QUALIFIED EXPENDITURES. THIS  
10 REPORT MUST ALSO SHOW WHICH QUALIFIED EXPENDITURES OCCURRED  
11 WITHIN COLORADO AND WHICH OCCURRED OUTSIDE COLORADO  
12 ACCORDING TO STANDARDS DEVELOPED BY THE OFFICE.

13 (d) A GLOBAL FILM FESTIVAL ENTITY SHALL APPLY TO THE OFFICE  
14 FOR TAX CREDIT ISSUANCE IN ACCORDANCE WITH THE PROGRAM POLICIES  
15 AND PROCEDURES.

16 (e) WHEN THE OFFICE IS SATISFIED THAT THE GLOBAL FILM  
17 FESTIVAL ENTITY IS ELIGIBLE FOR A REFUNDABLE TAX CREDIT, THE OFFICE  
18 SHALL ISSUE TO THE GLOBAL FILM FESTIVAL ENTITY A TAX CREDIT  
19 CERTIFICATE THAT EVIDENCES THE GLOBAL FILM FESTIVAL ENTITY'S RIGHT  
20 TO CLAIM THE TAX CREDIT ALLOWED UNDER SUBSECTION (3) OF THIS  
21 SECTION. THE TAX CREDIT CERTIFICATE MUST INCLUDE THE TAXPAYER'S  
22 NAME, THE TAXPAYER'S SOCIAL SECURITY NUMBER OR FEDERAL  
23 EMPLOYER IDENTIFICATION NUMBER, THE APPROVED TAX CREDIT AMOUNT,  
24 AND THE INCOME TAX YEAR FOR WHICH THE TAX CREDIT IS BEING  
25 ALLOWED.

26 (7) (a) AN EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY  
27 MAY APPLY TO THE OFFICE FOR THE RESERVATION OF A TAX CREDIT AT A

1 TIME AND IN A MANNER DETERMINED BY THE OFFICE AND PUBLISHED IN  
2 THE PROGRAM POLICIES AND PROCEDURES. AN EXISTING OR SMALL  
3 COLORADO FILM FESTIVAL ENTITY MAY REQUEST A RESERVATION OF A  
4 TAX CREDIT FOR UP TO FIVE HUNDRED THOUSAND DOLLARS OR ANOTHER  
5 MAXIMUM AMOUNT AS DETERMINED BY THE OFFICE. THE APPLICATION  
6 MUST INCLUDE A STATEMENT OF INTENT BY THE EXISTING OR SMALL  
7 COLORADO FILM FESTIVAL ENTITY TO ORGANIZE A FESTIVAL IN  
8 COLORADO.

9 (b) THE OFFICE SHALL REVIEW EACH APPLICATION FOR A TAX  
10 CREDIT RESERVATION SUBMITTED BY AN EXISTING OR SMALL COLORADO  
11 FILM FESTIVAL ENTITY AND, BASED ON THE INFORMATION PROVIDED IN  
12 THE APPLICATION, THE OFFICE SHALL MAKE A DETERMINATION OF  
13 WHETHER THE EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY WILL  
14 BE ELIGIBLE TO RECEIVE A TAX CREDIT AND THE AMOUNT OF THE TAX  
15 CREDIT RESERVATION THAT WILL BE GRANTED TO THE EXISTING OR SMALL  
16 COLORADO FILM FESTIVAL ENTITY. THE OFFICE SHALL INFORM THE  
17 EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY IN WRITING AS TO  
18 WHETHER IT HAS APPROVED OR DENIED THE APPLICATION FOR A TAX  
19 CREDIT RESERVATION, THE AMOUNT OF THE RESERVATION IF APPROVED,  
20 AND THE YEARS OF THE RESERVATION. IF THE OFFICE IS MAKING A  
21 MULTI-YEAR TAX CREDIT RESERVATION, IT SHALL DOCUMENT THE  
22 MULTI-YEAR TAX CREDIT RESERVATION IN A WRITTEN CONDITIONAL  
23 AGREEMENT. THE OFFICE MAY ESTABLISH AND PROVIDE WRITTEN NOTICE  
24 TO THE EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY OF THE  
25 MINIMUM FESTIVAL OPERATING REQUIREMENTS AS PART OF THE  
26 RESERVATION PROCESS FOR THE EXISTING OR SMALL COLORADO FILM  
27 FESTIVAL ENTITY TO RECEIVE A TAX CREDIT WHICH MAY INCLUDE, BUT

1 ARE NOT LIMITED TO, THE NUMBER OF FILMS REQUIRED TO BE SCREENED,  
2 THE MARKETING BUDGET, THE LENGTH OF THE FESTIVAL IN DAYS, THE  
3 LOCATION OF THE FESTIVAL, THE TIME DURING THE YEAR WHEN THE  
4 FESTIVAL IS REQUIRED TO TAKE PLACE, AND ANY OTHER GUARDRAILS AS  
5 DETERMINED BY THE OFFICE.

6 (c) UPON COMPLETION OF THE QUALIFIED EXPENDITURES, AN  
7 EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY THAT RECEIVED  
8 APPROVAL FOR A TAX CREDIT RESERVATION FROM THE OFFICE MUST  
9 RETAIN A CERTIFIED PUBLIC ACCOUNTANT LICENCED TO PRACTICE IN THE  
10 STATE OR A CERTIFIED PUBLIC ACCOUNTING FIRM THAT IS REGISTERED IN  
11 THE STATE TO REVIEW AND REPORT IN WRITING, AND IN ACCORDANCE  
12 WITH PROFESSIONAL STANDARDS, REGARDING THE ACCURACY OF THE  
13 FINANCIAL DOCUMENTS THAT DETAIL THE EXPENSES INCURRED IN THE  
14 COURSE OF THE ORGANIZATION OF THE FILM FESTIVAL IN COLORADO. THE  
15 CERTIFIED PUBLIC ACCOUNTANT'S WRITTEN REPORT MUST INCLUDE  
16 DOCUMENTATION OF THE EXISTING OR SMALL COLORADO FILM FESTIVAL  
17 ENTITY'S QUALIFIED EXPENDITURES. THIS REPORT MUST ALSO SHOW  
18 WHICH QUALIFIED EXPENDITURES OCCURRED WITHIN COLORADO  
19 ACCORDING TO STANDARDS DEVELOPED BY THE OFFICE.

20 (d) THE EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY  
21 SHALL APPLY TO THE OFFICE FOR TAX CREDIT ISSUANCE IN ACCORDANCE  
22 WITH THE PROGRAM POLICIES AND PROCEDURES.

23 (e) WHEN THE OFFICE IS SATISFIED THAT AN EXISTING OR SMALL  
24 COLORADO FILM FESTIVAL ENTITY IS ELIGIBLE FOR A TAX CREDIT, THE  
25 OFFICE SHALL ISSUE TO THE EXISTING OR SMALL COLORADO FILM FESTIVAL  
26 ENTITY A REFUNDABLE TAX CREDIT CERTIFICATE THAT EVIDENCES THE  
27 EXISTING OR SMALL COLORADO FILM FESTIVAL ENTITY'S RIGHT TO CLAIM

1 THE TAX CREDIT ALLOWED UNDER SUBSECTION (3) OF THIS SECTION. THE  
2 TAX CREDIT CERTIFICATE MUST INCLUDE THE TAXPAYER'S NAME, THE  
3 TAXPAYER'S SOCIAL SECURITY NUMBER OR FEDERAL EMPLOYER  
4 IDENTIFICATION NUMBER, THE APPROVED TAX CREDIT AMOUNT, AND THE  
5 CALENDAR YEAR FOR WHICH THE TAX CREDIT IS BEING ALLOWED.

6 (8) IF A CREDIT AUTHORIZED BY THIS SECTION EXCEEDS THE  
7 INCOME TAX DUE ON THE INCOME OF THE QUALIFIED GLOBAL FILM  
8 FESTIVAL ENTITY OR EXISTING OR SMALL COLORADO FILM FESTIVAL  
9 ENTITY, OR THE ENTITY IS A TAX-EXEMPT ENTITY UNDER 26 U.S.C. SEC.  
10 501 (c)(3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986" THAT  
11 DOES NOT PAY COLORADO STATE INCOME TAXES, THE EXCESS TAX CREDIT  
12 MAY NOT BE CARRIED FORWARD AND ONE HUNDRED PERCENT OF THE  
13 UNCLAIMED VALUE OF THE TAX CREDIT SHALL BE REFUNDED BY THE  
14 DEPARTMENT TO THE FILM FESTIVAL ENTITY.

15 (9) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2041.

16 **SECTION 2. Act subject to petition - effective date.** This act  
17 takes effect at 12:01 a.m. on the day following the expiration of the  
18 ninety-day period after final adjournment of the general assembly; except  
19 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
20 of the state constitution against this act or an item, section, or part of this  
21 act within such period, then the act, item, section, or part will not take  
22 effect unless approved by the people at the general election to be held in  
23 November 2026 and, in such case, will take effect on the date of the  
24 official declaration of the vote thereon by the governor.