

HOUSE COMMITTEE OF REFERENCE REPORT

March 25, 2024

Chair of Committee

Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB24-1313 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 55, strike lines 4 through 25 and substitute:

2 **"SECTION 4.** In Colorado Revised Statutes, 39-22-2102, **add**
3 (7)(a.7) and (7.5) as follows:

4 **39-22-2102. Credit against tax - affordable housing**
5 **developments - legislative declaration.** (7) During each calendar year
6 of the period beginning January 1, 2015, and ending December 31, 2031,
7 the authority may allocate a credit, the full amount of which may be
8 claimed against the taxes imposed by this article 22 for each taxable year
9 of the six-year credit period. The aggregate amount of all credits allocated
10 by the authority in each calendar year of the period beginning January 1,
11 2015, and ending December 31, 2031, shall not exceed the amount of:

12 (a.7) IN ADDITION TO THE AMOUNT DESCRIBED IN SUBSECTION
13 (7)(A.5) OF THIS SECTION:

14 (I) EIGHT MILLION THREE HUNDRED THOUSAND DOLLARS FOR
15 CREDITS ALLOCATED IN CALENDAR YEAR 2024, PURSUANT TO SUBSECTION
16 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

17 (II) SIX MILLION THREE HUNDRED THOUSAND DOLLARS FOR
18 CREDITS ALLOCATED IN CALENDAR YEAR 2025, PURSUANT TO SUBSECTION
19 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

20 (III) SIX MILLION THREE HUNDRED THOUSAND DOLLARS FOR
21 CREDITS ALLOCATED IN CALENDAR YEAR 2026, PURSUANT TO SUBSECTION
22 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

23 (IV) FIVE MILLION SEVEN HUNDRED THOUSAND DOLLARS FOR
24 CREDITS ALLOCATED IN CALENDAR YEAR 2027, PURSUANT TO SUBSECTION
25 (1) OF THIS SECTION AND SECTION 39-22-2105 COMBINED;

26 (V) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN CALENDAR
27 YEAR 2028, PURSUANT TO SUBSECTION (1) OF THIS SECTION AND SECTION

1 39-22-2105 COMBINED;

2 (VI) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN
3 CALENDAR YEAR 2029, PURSUANT TO SUBSECTION (1) OF THIS SECTION
4 AND SECTION 39-22-2105 COMBINED;

5 (VII) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN
6 CALENDAR YEAR 2030, PURSUANT TO SUBSECTION (1) OF THIS SECTION
7 AND SECTION 39-22-2105 COMBINED; AND

8 (VIII) FIVE MILLION DOLLARS FOR CREDITS ALLOCATED IN
9 CALENDAR YEAR 2031, PURSUANT TO SUBSECTION (1) OF THIS SECTION
10 AND SECTION 39-22-2105 COMBINED;

11 (7.5) THE TAXPAYER SHALL NOT CLAIM A CREDIT ALLOCATED AS
12 PART OF THE CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF
13 THIS SECTION RATABLY OVER THE CREDIT PERIOD. INSTEAD, SUCH A
14 CREDIT MUST BE ACCELERATED AND THE FULL AMOUNT MUST BE CLAIMED
15 AGAINST THE TAXES IMPOSED BY THIS ARTICLE 22 OVER THE CREDIT
16 PERIOD ACCORDING TO THE FOLLOWING SCHEDULE:

17 (a) THE AMOUNT OF THE CREDIT ALLOCATED AS PART OF THE
18 CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION
19 THAT A TAXPAYER CLAIMS IN THE FIRST YEAR OF THE CREDIT PERIOD MUST
20 EQUAL SEVENTY PERCENT OF THE TOTAL AMOUNT OF THAT CREDIT THAT
21 THE AUTHORITY ALLOCATES TO THE TAXPAYER; AND

22 (b) THE AMOUNT OF THE CREDIT ALLOCATED AS PART OF THE
23 CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION
24 THAT A TAXPAYER CLAIMS IN THE SECOND YEAR THROUGH SIXTH YEAR OF
25 THE CREDIT PERIOD MUST EACH YEAR EQUAL SIX PERCENT OF THE TOTAL
26 AMOUNT OF THAT CREDIT THAT THE AUTHORITY ALLOCATES TO THE
27 TAXPAYER;

28 **SECTION 5.** In Colorado Revised Statutes, **add** part 54 to article
29 22 in title 39 as follows:

30 **PART 54**

31 **COLORADO AFFORDABLE HOUSING IN**

32 **TRANSIT-ORIENTED COMMUNITIES INCOME TAX CREDIT**

33 **39-22-5401. Tax preference performance statement.** (1) IN
34 ACCORDANCE WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL
35 THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE
36 PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE
37 DECLARATION, THE GENERAL ASSEMBLY FINDS AND DECLARES THAT THE
38 PURPOSE OF THE TAX CREDIT PROVIDED IN THIS SECTION IS TO INDUCE
39 CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS BY SUPPORTING THE
40 DEVELOPMENT OF AFFORDABLE HOUSING WITHIN TRANSIT-ORIENTED
41 COMMUNITIES.

42 (2) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL
43 MEASURE THE EFFECTIVENESS OF THE CREDIT IN ACHIEVING THE PURPOSE

1 SPECIFIED IN SUBSECTION (1) OF THIS SECTION BASED ON THE NUMBER AND
2 VALUE OF CREDITS ISSUED AND HOUSING UNITS BUILT.

3 **39-22-5402. Definitions.** AS USED IN THIS PART 54, UNLESS THE
4 CONTEXT OTHERWISE REQUIRES:

5 (1) "ALLOCATION CERTIFICATE" MEANS A STATEMENT ISSUED BY
6 THE AUTHORITY CERTIFYING THAT A GIVEN DEVELOPMENT QUALIFIES FOR
7 THE CREDIT AND SPECIFYING THE AMOUNT OF THE CREDIT ALLOWED.

8 (2) "ALLOCATION PLAN" MEANS AN ALLOCATION PLAN ADOPTED
9 BY THE AUTHORITY THAT GOVERNS THE SELECTION CRITERIA AND
10 PREFERENCES FOR ALLOCATING THE TAX CREDIT ALLOWED PURSUANT TO
11 THIS PART 54.

12 (3) "AUTHORITY" MEANS THE COLORADO HOUSING AND FINANCE
13 AUTHORITY CREATED PURSUANT TO SECTION 29-4-704.

14 (4) "COMPLIANCE PERIOD" MEANS THE PERIOD OF FIFTEEN YEARS
15 BEGINNING WITH THE FIRST TAXABLE YEAR OF A CREDIT PERIOD.

16 (5) "CREDIT" MEANS THE COLORADO TRANSIT-ORIENTED
17 COMMUNITY HOUSING INCOME TAX CREDIT ALLOWED PURSUANT TO THIS
18 PART 54.

19 (6) "CREDIT PERIOD" MEANS THE PERIOD OF FIVE INCOME TAX
20 YEARS BEGINNING WITH THE INCOME TAX YEAR IN WHICH A QUALIFIED
21 DEVELOPMENT IS PLACED IN SERVICE. IF A QUALIFIED DEVELOPMENT IS
22 COMPRISED OF MORE THAN ONE BUILDING, THE DEVELOPMENT IS DEEMED
23 TO BE PLACED IN SERVICE IN THE INCOME TAX YEAR DURING WHICH THE
24 LAST BUILDING OF THE QUALIFIED DEVELOPMENT IS PLACED IN SERVICE.

25 (7) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

26 (8) "DIVISION" MEANS THE DIVISION OF LOCAL GOVERNMENT OF
27 THE DEPARTMENT OF LOCAL AFFAIRS CREATED IN SECTION 24-32-103.

28 (9) "FEDERAL TAX CREDIT" MEANS THE FEDERAL LOW-INCOME
29 HOUSING TAX CREDIT PROVIDED BY SECTION 42 OF THE INTERNAL
30 REVENUE CODE.

31 (10) "METROPOLITAN PLANNING ORGANIZATION" HAS THE SAME
32 MEANING AS SET FORTH IN SECTION 29-35-103 (12).

33 (11) "NEIGHBORHOOD CENTER" HAS THE SAME MEANING AS SET
34 FORTH IN SECTION 29-35-202 (5).

35 (12) "QUALIFIED BASIS" MEANS THE QUALIFIED BASIS OF THE
36 DEVELOPMENT AS DETERMINED PURSUANT TO SECTION 42 OF THE
37 INTERNAL REVENUE CODE.

38 (13) "QUALIFIED DEVELOPMENT" MEANS A "QUALIFIED
39 LOW-INCOME HOUSING PROJECT", AS THAT TERM IS DEFINED IN SECTION 42
40 OF THE INTERNAL REVENUE CODE, THAT IS:

41 (a) LOCATED IN COLORADO;

42 (b) DETERMINED BY THE AUTHORITY TO BE ELIGIBLE FOR A
43 FEDERAL TAX CREDIT WHETHER OR NOT A FEDERAL TAX CREDIT IS

1 ALLOCATED WITH RESPECT TO SAID DEVELOPMENT; AND
2 (c) LOCATED IN A TRANSIT-ORIENTED CENTER WITHIN A QUALIFIED
3 TRANSIT-ORIENTED COMMUNITY OR IN A NEIGHBORHOOD CENTER WITHIN
4 A METROPOLITAN PLANNING ORGANIZATION.

5 (14) "QUALIFIED TAXPAYER" MEANS AN INDIVIDUAL, A PERSON,
6 FIRM, CORPORATION, OR OTHER ENTITY THAT OWNS AN INTEREST, DIRECT
7 OR INDIRECT, IN A QUALIFIED DEVELOPMENT AND IS SUBJECT TO THE
8 TAXES IMPOSED BY THIS ARTICLE 22.

9 (15) "QUALIFIED TRANSIT-ORIENTED COMMUNITY" MEANS:

10 (a) IN CALENDAR YEARS 2024 AND 2025, A TRANSIT-ORIENTED
11 COMMUNITY AS DEFINED IN SECTION 29-35-202 (13); AND

12 (b) IN CALENDAR YEAR 2026 AND EACH SUBSEQUENT CALENDAR
13 YEAR, A TRANSIT-ORIENTED COMMUNITY, AS DEFINED IN SECTION
14 29-35-202(13), THAT HAS BOTH SUBMITTED THE HOUSING OPPORTUNITY
15 GOAL REPORT DESCRIBED IN SECTION 29-35-204(10) TO THE DIVISION AND
16 HAD THE DIVISION CONFIRM THAT THE TRANSIT-ORIENTED COMMUNITY
17 HAS MET ITS HOUSING OPPORTUNITY GOAL.

18 (16) "TRANSIT CENTER" HAS THE SAME MEANING AS SET FORTH IN
19 SECTION 29-35-202 (11).

20 **39-22-5403. Credit against tax - affordable housing located in**
21 **a transit-oriented community.** (1) FOR INCOME TAX YEARS DURING THE
22 CREDIT PERIOD, THERE IS ALLOWED TO ANY QUALIFIED TAXPAYER A
23 CREDIT WITH RESPECT TO THE INCOME TAXES IMPOSED BY THIS ARTICLE
24 22 IN THE AMOUNT DETERMINED BY THE AUTHORITY PURSUANT TO THIS
25 PART 54.

26 (2) THE AGGREGATE AMOUNT OF CREDITS ALLOCATED BY THE
27 AUTHORITY IN EACH OF THE 2025 THROUGH 2029 CALENDAR YEARS, MUST
28 NOT EXCEED THE AGGREGATE AMOUNT OF:

29 (a) CREDITS AUTHORIZED AS FOLLOWS:

30 (I) FOR THE 2025 CALENDAR YEAR, EIGHT MILLION SIX HUNDRED
31 THOUSAND DOLLARS;

32 (II) FOR THE 2026 CALENDAR YEAR, SEVEN MILLION TWO
33 HUNDRED THOUSAND DOLLARS;

34 (III) FOR THE 2027 CALENDAR YEAR, FIVE MILLION SIX HUNDRED
35 THOUSAND DOLLARS;

36 (IV) FOR THE 2028 CALENDAR YEAR, FIVE MILLION DOLLARS; AND

37 (V) FOR THE 2029 CALENDAR YEAR, THREE MILLION SIX HUNDRED
38 THOUSAND DOLLARS; PLUS

39 (b) UNALLOCATED CREDITS, IF ANY, FOR THE IMMEDIATELY
40 PRECEDING CALENDAR YEAR; AND

41 (c) ANY CREDIT RECAPTURED OR OTHERWISE RETURNED TO THE
42 AUTHORITY IN THE CALENDAR YEAR.

43 (3) THE AUTHORITY MAY ALLOCATE A CREDIT TO AN OWNER OF A

1 QUALIFIED DEVELOPMENT BY ISSUING TO THE OWNER AN ALLOCATION
2 CERTIFICATE. THE AUTHORITY MAY DETERMINE THE TIME AT WHICH SUCH
3 ALLOCATION CERTIFICATE IS ISSUED. THE CREDIT MUST BE IN AN AMOUNT
4 DETERMINED BY THE AUTHORITY, SUBJECT TO THE FOLLOWING
5 GUIDELINES:

6 (a) THE CREDIT MUST BE NECESSARY FOR THE FINANCIAL
7 FEASIBILITY OF SUCH DEVELOPMENT;

8 (b) ALL ALLOCATIONS MUST BE MADE PURSUANT TO THE
9 ALLOCATION PLAN; AND

10 (c) THE AGGREGATE SUM OF CREDITS ALLOCATED ANNUALLY
11 MUST NOT EXCEED THE LIMITS SET FORTH IN SUBSECTION (2) OF THIS
12 SECTION.

13 (4) (a) ON OR AFTER JANUARY 1, 2025, BUT PRIOR TO DECEMBER
14 31, 2029, THE AUTHORITY MAY ALLOCATE A TOTAL AMOUNT OF THIRTY
15 MILLION DOLLARS IN CREDITS.

16 (b) THE TAXPAYER SHALL NOT CLAIM THE CREDIT RATABLY OVER
17 THE CREDIT PERIOD. INSTEAD, THE CREDIT MUST BE ACCELERATED AND
18 THE FULL AMOUNT MUST BE CLAIMED AGAINST THE TAXES IMPOSED BY
19 THIS ARTICLE 22 OVER THE CREDIT PERIOD ACCORDING TO THE FOLLOWING
20 SCHEDELE:

21 (I) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE
22 FIRST YEAR OF THE CREDIT PERIOD MUST EQUAL SEVENTY PERCENT OF THE
23 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE
24 TAXPAYER;

25 (II) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE
26 SECOND YEAR OF THE CREDIT PERIOD MUST EQUAL EIGHT PERCENT OF THE
27 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE
28 TAXPAYER;

29 (III) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE
30 THE THIRD YEAR OF THE CREDIT PERIOD MUST EQUAL EIGHT PERCENT OF
31 THE TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE
32 TAXPAYER;

33 (IV) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE
34 THE FOURTH YEAR OF THE CREDIT PERIOD MUST EQUAL SEVEN PERCENT OF
35 THE TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE
36 TAXPAYER; AND

37 (V) THE AMOUNT OF THE CREDIT THAT A TAXPAYER CLAIMS IN THE
38 FIFTH YEAR OF THE CREDIT PERIOD MUST EQUAL SEVEN PERCENT OF THE
39 TOTAL AMOUNT OF THE CREDIT THE AUTHORITY ALLOCATES TO THE
40 TAXPAYER.

41 (5) IF AN OWNER OF A QUALIFIED DEVELOPMENT RECEIVING AN
42 ALLOCATION OF A CREDIT IS A PARTNERSHIP, LIMITED LIABILITY COMPANY,
43 S CORPORATION, OR SIMILAR PASS-THROUGH ENTITY, THE OWNER MAY

1 ALLOCATE THE CREDIT AMONG ITS PARTNERS, SHAREHOLDERS, MEMBERS,
2 OR OTHER QUALIFIED TAXPAYERS IN ANY MANNER AGREED TO BY SUCH
3 PERSONS REGARDLESS OF WHETHER ANY SUCH PERSONS ARE DEEMED A
4 PARTNER FOR FEDERAL INCOME TAX PURPOSES. THE OWNER SHALL
5 CERTIFY TO THE DEPARTMENT THE AMOUNT OF CREDIT ALLOCATED TO
6 EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER.
7 EACH PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED TAXPAYER
8 ADMITTED AS A PARTNER, SHAREHOLDER, MEMBER, OR OTHER QUALIFIED
9 TAXPAYER OF THE OWNER PRIOR TO THE FILING OF A TAX RETURN
10 CLAIMING THE CREDIT IS ALLOWED TO CLAIM SUCH AMOUNT SUBJECT TO
11 ANY RESTRICTIONS SET FORTH IN THIS PART 54.

12 (6) NO CREDIT SHALL BE ALLOCATED PURSUANT TO THIS PART 54
13 UNLESS THE QUALIFIED DEVELOPMENT IS THE SUBJECT OF A RECORDED
14 RESTRICTIVE COVENANT REQUIRING THE DEVELOPMENT TO BE
15 MAINTAINED AND OPERATED AS A QUALIFIED DEVELOPMENT, AND IS IN
16 ACCORDANCE WITH THE ACCESSIBILITY AND ADAPTABILITY
17 REQUIREMENTS OF THE FEDERAL TAX CREDITS AND TITLE VIII OF THE
18 "CIVIL RIGHTS ACT OF 1968", AS AMENDED BY THE "FAIR HOUSING
19 AMENDMENTS ACT OF 1988", FOR A PERIOD OF FIFTEEN INCOME TAX
20 YEARS, OR SUCH LONGER PERIOD AS MAY BE AGREED TO BETWEEN THE
21 AUTHORITY AND THE OWNER, BEGINNING WITH THE FIRST TAXABLE YEAR
22 OF THE CREDIT PERIOD UNLESS CORRECTED WITHIN THE TIME THAT IS
23 APPLICABLE TO DEVELOPMENTS RECEIVING FEDERAL TAX CREDITS
24 PURSUANT TO SECTION 42(h)(6)(J) OF THE INTERNAL REVENUE CODE AS
25 APPLICABLE TO THE COVENANT DESCRIBED IN THIS SUBSECTION (6).

26 (7) THE ALLOCATED CREDIT AMOUNT MAY BE TAKEN AGAINST THE
27 TAXES IMPOSED BY THIS ARTICLE 22 FOR EACH INCOME TAX YEAR OF THE
28 CREDIT PERIOD AS SET FORTH IN SUBSECTION (4) OF THIS SECTION. ANY
29 AMOUNT OF CREDIT THAT EXCEEDS THE TAX DUE FOR AN INCOME TAX
30 YEAR MAY BE CARRIED FORWARD AS A TAX CREDIT AGAINST THE INCOME
31 TAX LIABILITY FOR THE THREE SUBSEQUENT TAX YEARS AND MUST BE
32 APPLIED FIRST TO THE EARLIEST YEARS POSSIBLE. ANY AMOUNT OF THE
33 CREDIT THAT IS NOT USED MUST NOT BE REFUNDED TO THE TAXPAYER.

34 (8) UNLESS OTHERWISE PROVIDED IN THIS PART 54 OR THE
35 CONTEXT CLEARLY REQUIRES OTHERWISE, THE AUTHORITY SHALL
36 DETERMINE ELIGIBILITY FOR A CREDIT AND ALLOCATE CREDITS IN
37 ACCORDANCE WITH THE STANDARDS AND REQUIREMENTS SET FORTH IN
38 THE ALLOCATION PLAN; HOWEVER, THE AUTHORITY SHALL ADMINISTER
39 THE CREDIT ALLOWED PURSUANT TO THIS PART 54 CONSISTENTLY WITH
40 THE CREDIT PURSUANT TO PART 21 OF THIS ARTICLE 22 EXCEPT TO THE
41 EXTENT THE ALLOCATION PLAN IS INCONSISTENT WITH PART 21 OF THIS
42 ARTICLE 22, IN WHICH CASE THE ALLOCATION PLAN CONTROLS.
43 NOTWITHSTANDING THE FOREGOING, ANY COMBINATION OF FEDERAL AND

1 STATE CREDITS, OR STANDALONE AMOUNT OF STATE CREDITS, ALLOWED
2 MUST BE THE LEAST AMOUNT NECESSARY TO ENSURE THE FINANCIAL
3 FEASIBILITY OF A QUALIFIED DEVELOPMENT.

4 **39-22-5404. Recapture.** (1) AS OF THE LAST DAY OF ANY
5 TAXABLE YEAR DURING THE COMPLIANCE PERIOD, IF THE AMOUNT OF THE
6 QUALIFIED BASIS OF A QUALIFIED DEVELOPMENT WITH RESPECT TO A
7 TAXPAYER IS LESS THAN THE AMOUNT OF THE QUALIFIED BASIS AS OF THE
8 LAST DAY OF THE PRIOR TAXABLE YEAR, THEN THE AMOUNT OF THE
9 TAXPAYER'S STATE INCOME TAX LIABILITY FOR THAT TAXABLE YEAR MUST
10 BE INCREASED BY THE CREDIT RECAPTURE AMOUNT.

11 (2) FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, THE
12 CREDIT RECAPTURE AMOUNT IS AN AMOUNT EQUAL TO THE AGGREGATE
13 DECREASE IN THE CREDIT ALLOWED TO THE TAXPAYER PURSUANT TO THIS
14 PART 54 FOR ALL PRIOR TAXABLE YEARS THAT WOULD HAVE RESULTED IF
15 THE ACCELERATED PORTION OF THE CREDIT WERE NOT ALLOWED BY
16 REASON OF THIS PART 54 WERE NOT ALLOWED FOR ALL PRIOR TAXABLE
17 YEARS WITH RESPECT TO THE REDUCED AMOUNT OF QUALIFIED BASIS
18 DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

19 (3) FOR PURPOSES OF SUBSECTION (2) OF THIS SECTION, THE
20 ACCELERATED PORTION OF THE CREDIT FOR THE PRIOR TAXABLE YEARS
21 WITH RESPECT TO ANY AMOUNT OF QUALIFIED BASIS IS THE DIFFERENCE
22 BETWEEN:

23 (a) THE AGGREGATE AMOUNT OF THE CREDIT ALLOWED PURSUANT
24 TO THIS PART 54, NOTWITHSTANDING THIS SUBSECTION (3), FOR THE YEARS
25 WITH RESPECT TO SUCH QUALIFIED BASIS; AND

26 (b) THE AGGREGATE AMOUNT OF THE CREDIT THAT WOULD BE
27 ALLOWED PURSUANT TO THIS PART 54 FOR SUCH YEARS WITH RESPECT TO
28 THE QUALIFIED BASIS IF THE AGGREGATE CREDIT THAT WOULD HAVE BEEN
29 ALLOWABLE, BUT FOR THIS SUBSECTION (3), FOR THE ENTIRE COMPLIANCE
30 PERIOD WERE ALLOWABLE RATABLY OVER FIFTEEN YEARS.

31 (4) IN THE EVENT THAT RECAPTURE OF ANY CREDIT IS REQUIRED
32 IN ANY TAX YEAR, THE RETURN SUBMITTED FOR THAT TAX YEAR TO THE
33 DEPARTMENT SHALL INCLUDE THE PROPORTION OF CREDIT REQUIRED TO
34 BE RECAPTURED, THE IDENTITY OF EACH TAXPAYER SUBJECT TO THE
35 RECAPTURE, AND THE AMOUNT OF CREDIT PREVIOUSLY ALLOCATED TO
36 SUCH TAXPAYER.

37 (5) NOTWITHSTANDING SUBSECTION (1) OF THIS SECTION, CREDITS
38 ISSUED PURSUANT TO THIS PART 54 MUST NOT BE RECAPTURED IF A
39 QUALIFIED DEVELOPMENT, AFTER THE INITIAL AWARD OF CREDITS, CEASES
40 BEING LOCATED IN A TRANSIT-ORIENTED CENTER WITHIN A QUALIFIED
41 TRANSIT-ORIENTED COMMUNITY OR IN A NEIGHBORHOOD CENTER WITHIN
42 A METROPOLITAN PLANNING ORGANIZATION.

43 **39-22-5405. Filing requirements.** AN OWNER OF A QUALIFIED

1 DEVELOPMENT TO WHICH A CREDIT HAS BEEN ALLOCATED AND EACH
2 QUALIFIED TAXPAYER TO WHICH SUCH OWNER HAS ALLOCATED A PORTION
3 OF SAID CREDIT, IF ANY, SHALL FILE WITH THEIR STATE INCOME TAX
4 RETURN A COPY OF THE ALLOCATION CERTIFICATE ISSUED BY THE
5 AUTHORITY WITH RESPECT TO SUCH DEVELOPMENT AND A COPY OF THE
6 OWNER'S CERTIFICATION TO THE DEPARTMENT AS TO THE ALLOCATION OF
7 THE CREDIT AMONG THE QUALIFIED TAXPAYERS HAVING OWNERSHIP
8 INTERESTS IN THE DEVELOPMENT.

9 **39-22-5406. Parallel credits - insurance premium taxes.**

10 (1) ANY TAXPAYER WHO IS SUBJECT TO THE TAX ON INSURANCE
11 PREMIUMS ESTABLISHED BY SECTIONS 10-3-209, 10-5-111, AND 10-6-128
12 AND THEREFORE EXEMPT FROM THE PAYMENT OF INCOME TAX AND WHO
13 IS OTHERWISE ELIGIBLE TO CLAIM A CREDIT PURSUANT TO THIS PART 54
14 MAY CLAIM SUCH CREDIT AND CARRY SUCH CREDIT FORWARD AGAINST
15 SUCH INSURANCE PREMIUM TAX ON ITS CALENDAR QUARTER ESTIMATED
16 TAX PAYMENTS MADE IN ACCORDANCE WITH SECTION 10-3-209 TO THE
17 SAME EXTENT AS THE TAXPAYER WOULD HAVE BEEN ABLE TO CLAIM OR
18 CARRY FORWARD SUCH CREDIT OR REFUND AGAINST INCOME TAX. ALL
19 OTHER PROVISIONS OF THIS PART 54 WITH RESPECT TO THE CREDIT,
20 INCLUDING THE AMOUNT, ALLOCATION, AND RECAPTURE OF THE CREDIT
21 AND THE YEARS FOR WHICH THE CREDIT MAY BE CLAIMED, APPLY TO A
22 CREDIT CLAIMED PURSUANT TO THIS SECTION.

23 (2) FOR PURPOSES OF ADMINISTERING THIS SECTION, ANY
24 REFERENCE IN THIS ARTICLE 22 TO "INCOME TAX YEAR" MEANS CALENDAR
25 YEAR.

26 **39-22-5407. Compliance monitoring.** THE AUTHORITY, IN
27 CONSULTATION WITH THE DEPARTMENT, SHALL MONITOR AND OVERSEE
28 COMPLIANCE WITH THIS PART 54 AND SHALL REPORT SPECIFIC
29 OCCURRENCES OF NONCOMPLIANCE TO THE DEPARTMENT.

30 **39-22-5408. Repeal.** THIS PART 54 IS REPEALED, EFFECTIVE
31 DECEMBER 31, 2049.

32 **SECTION 6.** In Colorado Revised Statutes, 39-26-123, **amend**
33 (3)(b)(II)(B) and (3)(b)(II)(C); and **add** (3)(b)(II)(D) as follows:

34 **39-26-123. Receipts - disposition - transfers of general fund**
35 **surplus - sales tax holding fund - creation - definitions.** (3) For any
36 state fiscal year commencing on or after July 1, 2013, the state treasurer
37 shall credit eighty-five percent of all net revenue collected under this
38 article 26 to the old age pension fund created in section 1 of article XXIV
39 of the state constitution. The state treasurer shall credit to the general fund
40 the remaining fifteen percent of the net revenue, less:

41 (b) (II) The amount credited to the housing development grant
42 fund created in section 24-32-721 (1) under subsection (3)(b)(I) of this
43 section is reduced by the following amounts:

9 Renumber succeeding section accordingly.

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