

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 22-0548.01 Megan McCall x4215

HOUSE BILL 22-1083

HOUSE SPONSORSHIP

Tipper and Rich,

SENATE SPONSORSHIP

Winter,

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE CREATION OF THE COLORADO HOMELESS
102 CONTRIBUTION INCOME TAX CREDIT.

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 repeals an existing income tax credit available to taxpayers who make contributions to enterprise zone administrators to promote temporary, emergency, or transitional housing programs for people experiencing homelessness and replaces that income tax credit with one that is available in the entire state. Instead of having the enterprise zone administrators and the office of economic development

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

manage the credit, the bill places that responsibility on the division of housing in the department of local affairs.

The bill also expands the scope so that a taxpayer may claim the tax credit when permissible contributions are made not only to an approved project, but also to approved nonprofit organizations providing certain qualifying activities.

The amount of the income tax credit remains the same for each contribution; except that, for contributions made in an underserved, rural county, the amount is 30% rather than 25%, and the new credit is capped at \$750,000 in contributions for the nonprofit organization, and if the nonprofit organization also administers one or more approved projects, the new credit is capped at an additional \$750,000 per project. The new credit's availability is limited to 8 years, and, in the same manner as the enterprise zone tax credit that is being repealed, any credit in excess of a taxpayer's liability for the income tax year for which the credit is claimed may be carried forward for up to 5 years.

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

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

4 **39-22-543. Colorado homeless contribution tax credit -**
5 **legislative declaration - definitions - repeal.** (1) (a) IN ACCORDANCE
6 WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL THAT CREATES
7 A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE
8 STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE
9 GENERAL ASSEMBLY FINDS AND DECLARES THAT THE GENERAL
10 LEGISLATIVE PURPOSE OF THIS TAX EXPENDITURE IS TO INDUCE CERTAIN
11 DESIGNATED BEHAVIOR BY TAXPAYERS. SPECIFICALLY, THIS TAX
12 EXPENDITURE IS INTENDED TO ENCOURAGE TAXPAYERS TO MAKE
13 CONTRIBUTIONS TO APPROVED NONPROFIT ORGANIZATIONS PROVIDING
14 CERTAIN QUALIFYING ACTIVITIES TO LEVERAGE FINANCIAL
15 CONTRIBUTIONS FROM COLORADO RESIDENTS AND BUSINESSES TO
16 SUPPORT PROVIDING APPROPRIATE HOUSING AND SERVICES TO ASSIST

1 INDIVIDUALS AND FAMILIES EXPERIENCING HOMELESSNESS. THE TAX
2 EXPENDITURE WILL CATALYZE AND STRENGTHEN STATEWIDE EFFORTS TO
3 ADDRESS THE EFFECTS OF HOMELESSNESS THROUGH PRIVATE INVESTMENT
4 AND CIVIC ENGAGEMENT IN COLORADO-BASED SERVICE PROVIDERS FOR
5 INDIVIDUALS AND FAMILIES EXPERIENCING HOMELESSNESS.

6 (b) THE ANNUAL REVIEW PRESENTED BY THE DIVISION AS SET
7 FORTH IN SUBSECTION (6) OF THIS SECTION WILL ALLOW THE GENERAL
8 ASSEMBLY AND THE STATE AUDITOR TO MEASURE THE EFFECTIVENESS OF
9 THE TAX EXPENDITURE.

10 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
11 REQUIRES:

12 (a) "APPROVED NONPROFIT ORGANIZATION" MEANS A NONPROFIT
13 ORGANIZATION THAT PROVIDES A QUALIFYING ACTIVITY AND THAT HAS
14 BEEN MONITORED, EVALUATED, REVIEWED, AND APPROVED BY THE
15 DIVISION AS SPECIFIED IN SUBSECTION (5) OF THIS SECTION.

16 (b) "APPROVED PROJECT" MEANS A PROJECT ADMINISTERED BY AN
17 APPROVED NONPROFIT ORGANIZATION THAT HAS BEEN EVALUATED,
18 REVIEWED, AND APPROVED BY THE DIVISION AS SPECIFIED IN SUBSECTION
19 (5) OF THIS SECTION, AND THAT IMPLEMENTS ONE OR MORE QUALIFYING
20 ACTIVITIES.

21 (c) "CAPITAL CAMPAIGN" MEANS A CAMPAIGN THAT ENCOURAGES
22 PUBLIC AND PRIVATE PARTNERSHIPS AND IS FOCUSED ON RAISING FUNDS
23 FOR A SPECIFIC CAPITAL PROJECT. THE CAPITAL PROJECT MUST INVOLVE
24 CONSTRUCTION AND IMPLEMENTATION THAT COMMENCES WITHIN THREE
25 YEARS OF THE PROJECT BEING APPROVED BY THE DIVISION. A "CAPITAL
26 CAMPAIGN" MUST INCLUDE A CAMPAIGN FOR ONE OR MORE OF THE
27 FOLLOWING:

1 (I) SUPPORTIVE HOUSING FOR INDIVIDUALS OR FAMILIES
2 EXPERIENCING HOMELESSNESS;

3 (II) COMMUNITY OVERNIGHT SHELTERS, COMMUNITY DAY
4 SHELTERS, OR EMERGENCY SHELTERS;

5 (III) FACILITIES, INCLUDING THE ACQUISITION OR REHABILITATION
6 OF FACILITIES, USED TO PROVIDE HOUSING OR SERVICES TO INDIVIDUALS
7 OR FAMILIES EXPERIENCING HOMELESSNESS, INCLUDING FACILITIES THAT
8 ARE NECESSARY TO PERFORM QUALIFYING SERVICES; OR

9 (IV) FACILITIES NEEDED TO PROVIDE ADMINISTRATIVE SUPPORT
10 FOR APPROVED PROJECTS.

11 (d) "DIVISION OF HOUSING" OR "DIVISION" MEANS THE DIVISION OF
12 HOUSING IN THE DEPARTMENT OF LOCAL AFFAIRS CREATED IN SECTION
13 24-32-704.

14 (e) "IN-KIND CONTRIBUTION" MEANS A CONTRIBUTION THAT IS NOT
15 A MONETARY CONTRIBUTION AND IS VALUED OVER FIVE THOUSAND
16 DOLLARS PURSUANT TO AN INDEPENDENT THIRD-PARTY VALUATION,
17 INCLUDING A CONTRIBUTION OF PROPERTY, SERVICES, STOCKS, BONDS, OR
18 OTHER INTANGIBLE PROPERTY.

19 (f) "MONETARY CONTRIBUTION" MEANS A CONTRIBUTION IN
20 UNITED STATES CURRENCY IN ANY FORM, INCLUDING CASH, PAYMENT
21 MADE BY CHECK, ELECTRONIC FUNDS TRANSFER, DEBIT CARD, OR CREDIT
22 CARD.

23 (g) "NONPROFIT ORGANIZATION" MEANS ANY ORGANIZATION IN
24 GOOD STANDING WITH THE SECRETARY OF STATE THAT IS EXEMPT FROM
25 TAXATION PURSUANT TO SECTION 501 (a) OF THE FEDERAL "INTERNAL
26 REVENUE CODE OF 1986", 26 U.S.C. SEC. 501 (a), AS AMENDED, AND
27 LISTED AS AN EXEMPT ORGANIZATION IN SECTION 501 (c) OF THE FEDERAL

1 "INTERNAL REVENUE CODE OF 1986", 26 U.S.C. SEC. 501 (c), AS
2 AMENDED.

3 (h) "OPERATIONAL SERVICE" MEANS A SERVICE THAT SUPPORTS:

4 (I) OUTREACH EFFORTS TO ENGAGE OR PROVIDE SERVICES TO
5 UNSHELTERED INDIVIDUALS OR FAMILIES EXPERIENCING HOMELESSNESS;

6 (II) SAFE EMERGENCY, TEMPORARY, OR TRANSITIONAL SHELTERS,
7 SUCH AS DAY SHELTERS, THAT MAY INCLUDE SUPPORTIVE SERVICES TO
8 INDIVIDUALS OR FAMILIES EXPERIENCING HOMELESSNESS;

9 (III) PREVENTION SERVICES THAT TARGET INDIVIDUALS OR
10 FAMILIES FACING IMMINENT RISK OF HOMELESSNESS AS DEFINED BY THE
11 DEPARTMENT OF LOCAL AFFAIRS;

12 (IV) SUPPORTIVE HOUSING FOR INDIVIDUALS OR FAMILIES
13 EXPERIENCING HOMELESSNESS OR WHO WOULD OTHERWISE BE HOMELESS;

14 (V) SERVICES DESIGNED TO ASSIST INDIVIDUALS OR FAMILIES
15 EXPERIENCING HOMELESSNESS TO OBTAIN AN EMPLOYMENT OUTCOME,
16 INCLUDING JOB PLACEMENT SERVICES, SERVICES THAT HELP INDIVIDUALS
17 BECOME WORKFORCE READY;

18 (VI) CASE MANAGEMENT, INCLUDING ESTABLISHING CLIENT GOALS
19 FOR INDIVIDUALS OR FAMILIES EXPERIENCING HOMELESSNESS AND
20 COORDINATION OF REFERRALS TO ADDRESS HEALTH OR MENTAL HEALTH
21 BENEFIT PROCUREMENT AND PROCUREMENT OF OTHER ESSENTIAL
22 SERVICES FOR INDIVIDUALS OR FAMILIES EXPERIENCING HOMELESSNESS;

23 (VII) SHELTERS AND SERVICES FOR SURVIVORS OF DOMESTIC
24 VIOLENCE WHO ARE FLEEING AN ABUSIVE HOUSEHOLD; OR

25 (VIII) THE IMPLEMENTATION AND OPERATION OF SUCCESSOR
26 PROJECTS OR OTHER SERVICES FOR INDIVIDUALS OR FAMILIES
27 EXPERIENCING HOMELESSNESS THAT ARE IDENTIFIED BY THE DIVISION AS

1 EMERGING, PROMISING, AND PROVIDING BEST PRACTICES.

2 (i) "QUALIFYING ACTIVITY" MEANS A CAPITAL CAMPAIGN OR AN
3 OPERATIONAL SERVICE.

4 (j) "TAXPAYER" MEANS A RESIDENT INDIVIDUAL OR A DOMESTIC
5 OR FOREIGN CORPORATION SUBJECT TO PART 3 OF THIS ARTICLE 22, A
6 PARTNERSHIP, S CORPORATION, OR OTHER SIMILAR PASS-THROUGH
7 ENTITY, ESTATE, OR TRUST THAT MAKES A CONTRIBUTION AS AN ENTITY,
8 AND A PARTNER, MEMBER, AND SUBCHAPTER S SHAREHOLDER OF SUCH A
9 PASS-THROUGH ENTITY.

10 (3) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
11 JANUARY 1, 2023, BUT BEFORE JANUARY 1, 2031, EXCEPT AS PROVIDED IN
12 SUBSECTION (3)(b) OF THIS SECTION, ANY TAXPAYER WHO MAKES A
13 MONETARY OR IN-KIND CONTRIBUTION TO AN APPROVED NONPROFIT
14 ORGANIZATION, OR TO AN APPROVED PROJECT ADMINISTERED BY AN
15 APPROVED NONPROFIT ORGANIZATION, IS ALLOWED A CREDIT EQUAL TO
16 TWENTY-FIVE PERCENT OF THE TOTAL VALUE OF THE CONTRIBUTION,
17 SUBJECT TO THE LIMITATIONS SPECIFIED IN SUBSECTION (3)(d) OF THIS
18 SECTION.

19 (b) IF A TAXPAYER MAKES A MONETARY OR IN-KIND
20 CONTRIBUTION TO AN APPROVED NONPROFIT ORGANIZATION, OR TO AN
21 APPROVED PROJECT ADMINISTERED BY AN APPROVED NONPROFIT
22 ORGANIZATION, IN AN UNDERSERVED, RURAL COUNTY, AS DEFINED BY THE
23 DIVISION IN ITS GUIDELINES FOR THE PROGRAM, THEN THE TAXPAYER IS
24 ALLOWED A CREDIT EQUAL TO THIRTY PERCENT OF THE TOTAL VALUE OF
25 THE CONTRIBUTION, SUBJECT TO THE LIMITATIONS IN SUBSECTION (3)(d)
26 OF THIS SECTION.

27 (c) THE APPROVED NONPROFIT ORGANIZATION THAT RECEIVES THE

1 ALLOWABLE CONTRIBUTION SHALL ISSUE A TAX CREDIT CERTIFICATE TO
2 EACH TAXPAYER THAT MAKES AN ALLOWABLE CONTRIBUTION PURSUANT
3 TO SUBSECTIONS (3)(a) AND (3)(b) OF THIS SECTION; EXCEPT THAT THE
4 APPROVED NONPROFIT ORGANIZATION SHALL NOT ISSUE TAX CREDIT
5 CERTIFICATES THAT TOTAL MORE THAN SEVEN HUNDRED FIFTY THOUSAND
6 DOLLARS PER INCOME TAX YEAR, AND IF THE APPROVED NONPROFIT
7 ORGANIZATION ADMINISTERS ONE OR MORE APPROVED PROJECTS, IN
8 ADDITION TO PROVIDING A QUALIFYING SERVICE, THEN THE APPROVED
9 NONPROFIT ORGANIZATION SHALL NOT ISSUE TAX CREDIT CERTIFICATES
10 FOR ALLOWABLE CONTRIBUTIONS TO AN APPROVED PROJECT THAT TOTAL
11 MORE THAN SEVEN HUNDRED FIFTY THOUSAND DOLLARS PER APPROVED
12 PROJECT PER INCOME TAX YEAR. THE TAX CREDIT CERTIFICATE MUST
13 STATE THE AMOUNT OF THE ALLOWABLE CONTRIBUTION, THE TAXPAYER'S
14 NAME, THE TAXPAYER'S SOCIAL SECURITY NUMBER OR FEDERAL
15 EMPLOYER IDENTIFICATION NUMBER, THE TYPE OF THE CONTRIBUTION,
16 THE DATE THE TAXPAYER MADE THE CONTRIBUTION, THE AMOUNT OF THE
17 TAX CREDIT THAT IS AUTHORIZED FOR THAT TAXPAYER, AND ANY OTHER
18 INFORMATION THAT THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF
19 REVENUE MAY REQUIRE. TAX CREDIT CERTIFICATES SHALL BE ISSUED IN
20 THE ORDER OF RECEIVED ALLOWABLE CONTRIBUTIONS.

21 (d) (I) (A) THE CREDIT ALLOWED IN SUBSECTIONS (3)(a) AND
22 (3)(b) OF THIS SECTION IS REDUCED BY THE AMOUNT BY WHICH THE
23 CREDIT EXCEEDS ONE HUNDRED THOUSAND DOLLARS PER TAXPAYER PER
24 TAX YEAR AND IS REDUCED BY THE AMOUNT BY WHICH THE CREDIT FOR
25 IN-KIND CONTRIBUTIONS EXCEEDS FIFTY PERCENT OF THE TOTAL CREDIT
26 CALCULATED PURSUANT TO THIS SUBSECTION (3)(d).

27 (B) FOR A CONTRIBUTION MADE PURSUANT TO SUBSECTIONS (3)(a)

1 AND (3)(b) OF THIS SECTION THAT IS MADE IN A CASH PAYMENT, THE
2 CONTRIBUTION MUST BE EQUAL TO OR GREATER THAN ONE HUNDRED
3 DOLLARS.

4 (C) IN THE CASE OF A PARTNERSHIP, S CORPORATION, OR OTHER
5 SIMILAR PASS-THROUGH ENTITY, THE LIMITATIONS IN THIS SUBSECTION
6 (3)(d) APPLY AT THE ENTITY LEVEL.

7 (II) IN NO EVENT IS A CREDIT ALLOWED PURSUANT TO THIS
8 SECTION FOR CONTRIBUTIONS THAT DIRECTLY BENEFIT THE TAXPAYER. IF
9 A TAXPAYER RECEIVES A BENEFIT FOR THE CONTRIBUTION, THE VALUE OF
10 THE CONTRIBUTION IS REDUCED BY THE VALUE OF THE BENEFIT RECEIVED
11 BY THE TAXPAYER TO ARRIVE AT THE CONTRIBUTION THAT MAY BE
12 CERTIFIED FOR THE INCOME TAX CREDIT ALLOWED IN THIS SECTION.

13 (III) IF THE AMOUNT OF THE ALLOWED CREDIT EXCEEDS THE
14 AMOUNT OF INCOME TAXES OTHERWISE DUE ON THE INCOME OF THE
15 TAXPAYER IN THE INCOME TAX YEAR FOR WHICH THE CREDIT IS BEING
16 CLAIMED, THE AMOUNT OF THE CREDIT NOT USED AS AN OFFSET AGAINST
17 INCOME TAXES IN THAT INCOME TAX YEAR MAY BE CARRIED FORWARD AS
18 A CREDIT AGAINST SUBSEQUENT YEARS' INCOME TAX LIABILITY FOR A
19 PERIOD NOT EXCEEDING FIVE YEARS AND MUST BE APPLIED FIRST TO THE
20 EARLIEST INCOME TAX YEARS POSSIBLE. ANY CREDIT REMAINING AFTER
21 THE PERIOD MAY NOT BE REFUNDED OR CREDITED TO THE TAXPAYER.

22 (4) ON OR BEFORE NOVEMBER 1, 2022, AND ON OR BEFORE
23 NOVEMBER 1 OF EACH YEAR THEREAFTER, THE DIVISION SHALL DEVELOP
24 AND POST ON THE DIVISION'S WEBSITE A LIST, INCLUDING A DESCRIPTION,
25 OF ALL APPROVED NONPROFIT ORGANIZATIONS AND ANY APPROVED
26 PROJECTS ADMINISTERED BY AN APPROVED NONPROFIT ORGANIZATION TO
27 WHICH TAXPAYERS MAY CONTRIBUTE DURING THE NEXT CALENDAR YEAR

1 FOR THE PURPOSE OF RECEIVING A TAX CREDIT PURSUANT TO THIS
2 SECTION. ANY MODIFICATIONS TO THE LIST, INCLUDING NONPROFIT
3 ORGANIZATIONS OR PROPOSED PROJECTS OF AN APPROVED NONPROFIT
4 ORGANIZATION THAT ARE LATER APPROVED, MUST BE POSTED ON THE
5 DIVISION'S WEBSITE NO LATER THAN SIXTY DAYS AFTER THE MODIFICATION
6 IS MADE. THE DIVISION SHALL REVIEW A PROPOSED NONPROFIT
7 ORGANIZATION AND ANY PROPOSED PROJECT OF AN APPROVED NONPROFIT
8 ORGANIZATION FOR ELIGIBILITY AND APPROVAL AS DESCRIBED IN
9 SUBSECTION (5) OF THIS SECTION.

10 (5) (a) (I) A NONPROFIT ORGANIZATION SHALL APPLY TO THE
11 DIVISION FOR APPROVAL TO RECEIVE ALLOWABLE CONTRIBUTIONS UNDER
12 THIS SECTION, INCLUDING APPROVAL OF A PROPOSED PROJECT. THE
13 APPLICATION MUST:

14 (A) SET FORTH THE QUALIFYING ACTIVITY THAT THE NONPROFIT
15 ORGANIZATION PROVIDES, AND, IN ADDITION, FOR A PROPOSED PROJECT,
16 THE QUALIFYING ACTIVITY THAT THE PROJECT WILL IMPLEMENT;

17 (B) PROVIDE A LETTER OF APPROVAL FROM THE NONPROFIT
18 ORGANIZATION'S BOARD OF DIRECTORS; AND

19 (C) PROVIDE EVIDENCE THAT THE NONPROFIT ORGANIZATION IS IN
20 GOOD STANDING WITH THE SECRETARY OF STATE.

21 (II) AN ORGANIZATION THAT HAS A PROGRAM AS SET FORTH IN
22 SECTION 39-30-103.5 (3)(a) THAT HAS BEEN APPROVED BY THE COLORADO
23 ECONOMIC DEVELOPMENT COMMISSION UNDER SECTION 39-30-103.5 IS
24 DEEMED APPROVED FOR PURPOSES OF COMPLIANCE WITH THIS SECTION TO
25 RECEIVE ELIGIBLE CONTRIBUTIONS UNLESS OTHERWISE SPECIFICALLY
26 DISAPPROVED BY THE DIVISION SO LONG AS THE ORGANIZATION:

27 (A) IS A NONPROFIT;

1 (B) PROVIDES OR HAS THE INTENT TO PROVIDE A QUALIFYING
2 ACTIVITY;

3 (C) CAN PROVIDE A LETTER OF APPROVAL FROM ITS BOARD OF
4 DIRECTORS;

5 (D) SUBMITS A RECENT AUDIT OR FINANCIAL REPORT TO THE
6 DIVISION IN A FORM THAT IS ACCEPTABLE TO THE DIVISION; AND

7 (E) NO LATER THAN FOUR YEARS FROM THE EFFECTIVE DATE OF
8 THIS SECTION, SUBMITS AN APPLICATION FOR REAPPROVAL PURSUANT TO
9 SUBSECTION (5)(g) OF THIS SECTION.

10 (b) THE DIVISION SHALL REVIEW APPLICATIONS RECEIVED
11 PURSUANT TO SUBSECTION (5)(a) OF THIS SECTION IN A TIMELY MANNER
12 AND IN A TIME FRAME SET FORTH IN THE DIVISION'S GUIDELINES FOR THE
13 PROGRAM. THE DIVISION SHALL ISSUE A NOTICE OF APPROVAL OR
14 DISAPPROVAL OF A NONPROFIT ORGANIZATION, A PROPOSED PROJECT, OR
15 BOTH IN WRITING.

16 (c) THE DIVISION IS AUTHORIZED TO HOLD HEARINGS IN ORDER TO
17 REVIEW A NONPROFIT ORGANIZATION'S REQUEST TO RECONSIDER A
18 DECISION REGARDING DISAPPROVAL WITHIN THIRTY DAYS AFTER THE DATE
19 OF THE DISAPPROVAL NOTICE.

20 (d) ONCE APPROVED, THE NONPROFIT ORGANIZATION SHALL
21 MAINTAIN AN ACCOUNTING SYSTEM AND APPROPRIATE RECORDS TO TRACK
22 CONTRIBUTIONS RECEIVED BY TAXPAYERS FOR WHICH A TAX CREDIT WAS
23 ALLOWED UNDER THIS SECTION AND TO ACCURATELY ASSOCIATE THE USE
24 OF THE CONTRIBUTIONS WITH QUALIFYING ACTIVITIES, AN APPROVED
25 PROJECT, OR BOTH.

26 (e) THE DIVISION SHALL SPECIFY IN PROGRAM GUIDELINES WHAT
27 INFORMATION REGARDING QUALIFYING ACTIVITIES MUST BE REPORTED BY

1 THE NONPROFIT ORGANIZATION AND CAN REQUEST FROM THE NONPROFIT
2 ORGANIZATION AN AUDIT OR FINANCIAL REPORT IN A FORM THAT IS
3 ACCEPTABLE TO THE DIVISION.

4 (f) (I) NO LATER THAN FEBRUARY 15, 2023, THE DIVISION SHALL
5 COMPLETE A REVIEW OF EVERY ORGANIZATION AND PROJECT DEEMED
6 APPROVED UNDER SUBSECTION (5)(a)(II) OF THIS SECTION, AND NO LATER
7 THAN FEBRUARY 15, 2024, AND FEBRUARY 15 OF EACH YEAR
8 THEREAFTER, THE DIVISION SHALL COMPLETE A REVIEW OF EVERY OTHER
9 APPROVED NONPROFIT ORGANIZATION AND APPROVED PROJECT TO
10 EVALUATE PERFORMANCE AND COMPLIANCE WITH THE REQUIREMENTS OF
11 THIS SECTION. THE DIVISION MUST REVIEW THE QUALIFYING ACTIVITIES
12 BEING PROVIDED AND DETERMINE HOW THE ACTIVITIES ARE ADDRESSING
13 CURRENT AND EMERGING NEEDS OF INDIVIDUALS AND FAMILIES
14 EXPERIENCING HOMELESSNESS IN EACH APPROVED NONPROFIT
15 ORGANIZATION'S COMMUNITY, OR, IF APPLICABLE, EACH APPROVED
16 PROJECT'S COMMUNITY.

17 (II) THE DIVISION HAS THE AUTHORITY TO MONITOR AND AUDIT
18 APPROVED NONPROFIT ORGANIZATIONS AND THEIR PERFORMANCE AND
19 MAY DISAPPROVE AN APPROVED NONPROFIT ORGANIZATION OR AN
20 APPROVED PROJECT OF AN APPROVED NONPROFIT ORGANIZATION IF THE
21 APPROVED NONPROFIT ORGANIZATION IS NOT MEETING EXPECTATIONS OR
22 IF THE APPROVED NONPROFIT ORGANIZATION IS OTHERWISE NOT IN
23 COMPLIANCE WITH OBJECTIVES OUTLINED IN THIS SECTION OR PROGRAM
24 GUIDELINES, OR, IF APPLICABLE, IN THE PROJECT PROPOSAL. THE DIVISION
25 SHALL IMMEDIATELY NOTIFY THE DEPARTMENT OF REVENUE IF AN
26 APPROVED NONPROFIT ORGANIZATION OR AN APPROVED PROJECT OF AN
27 APPROVED NONPROFIT ORGANIZATION IS DISAPPROVED AS A RESULT OF A

1 REVIEW OR AUDIT IN ORDER TO ENSURE THAT CONTRIBUTIONS MADE BY
2 TAXPAYERS ON OR AFTER THE DATE OF DISAPPROVAL ARE NO LONGER
3 ELIGIBLE FOR THE TAX CREDIT ALLOWED IN THIS SECTION.

4 (g) AN APPROVED NONPROFIT ORGANIZATION SHALL APPLY FOR
5 REAPPROVAL WITH THE DIVISION EVERY FOUR YEARS IN THE SAME
6 MANNER PROVIDED FOR APPROVAL IN SUBSECTION (5)(a)(I) OF THIS
7 SECTION. WHEN APPLYING FOR REAPPROVAL, THE NONPROFIT
8 ORGANIZATION MAY ADD OR REMOVE QUALIFYING ACTIVITIES IN THE
9 REAPPROVAL APPLICATION. IT IS EXPECTED THAT A NONPROFIT
10 ORGANIZATION WILL REVISE ANY PREVIOUSLY APPROVED GOALS,
11 OBJECTIVES, AND EXPECTED OUTCOMES OF ITS QUALIFYING ACTIVITIES TO
12 ADJUST TO CHANGES IN COMMUNITY NEEDS, EMERGING BEST PRACTICES,
13 AND FEEDBACK FROM THE DIVISION.

14 (6) THE DIVISION SHALL PRESENT AN ANNUAL REVIEW OF
15 APPROVED NONPROFIT ORGANIZATIONS AND ANY APPROVED PROJECTS
16 ADMINISTERED BY AN APPROVED NONPROFIT ORGANIZATION TO THE STATE
17 HOUSING BOARD CREATED IN SECTION 24-32-706. THE ANNUAL REVIEW
18 MUST INCLUDE INDIVIDUAL AND COLLECTIVE OUTPUTS AND OUTCOMES OF
19 EACH APPROVED NONPROFIT ORGANIZATION DESCRIBED IN THIS SECTION
20 AND MUST SUMMARIZE CONTRIBUTIONS RECEIVED AND TAX CREDIT
21 CERTIFICATES ISSUED FOR THE REPORTING PERIOD, INCLUDING AN
22 ESTIMATE OF EXPECTED CONTRIBUTIONS FOR THE UPCOMING CALENDAR
23 YEAR.

24 (7) THE DIVISION SHALL DEVELOP PROGRAM GUIDELINES, WITH
25 STAKEHOLDER INVOLVEMENT, FOR THE ADMINISTRATION OF THIS SECTION.

26 (8) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2040.

27 **SECTION 2.** In Colorado Revised Statutes, 39-30-103.5, **amend**

1 (3)(a) introductory portion; and **add** (3)(c) as follows:

2 **39-30-103.5. Credit against tax - contributions to enterprise**
3 **zone administrators to implement economic development plans -**
4 **repeal.** (3) (a) PRIOR TO JANUARY 1, 2023, monetary or in-kind
5 contributions to promote temporary, emergency, or transitional housing
6 programs for the homeless that offer or provide referrals to child care, job
7 placement, and counseling services for the purpose of promoting
8 employment for homeless persons in enterprise zones shall be deemed to
9 be for the purpose of implementing the economic development plan for
10 the enterprise zone and shall include but not be limited to the following
11 types of contributions:

12 (c) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE DECEMBER 31,
13 2032.

14 **SECTION 3. Act subject to petition - effective date.** This act
15 takes effect at 12:01 a.m. on the day following the expiration of the
16 ninety-day period after final adjournment of the general assembly; except
17 that, if a referendum petition is filed pursuant to section 1 (3) of article V
18 of the state constitution against this act or an item, section, or part of this
19 act within such period, then the act, item, section, or part will not take
20 effect unless approved by the people at the general election to be held in
21 November 2022 and, in such case, will take effect on the date of the
22 official declaration of the vote thereon by the governor.