

**First Regular Session
Seventieth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 15-0360.01 Esther van Mourik x4215

HOUSE BILL 15-1143

HOUSE SPONSORSHIP

Conti, Primavera, Roupe, Tate

SENATE SPONSORSHIP

Crowder,

House Committees

Health, Insurance, & Environment
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A TAX INCENTIVE FOR HOME HEALTH CARE.**

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://www.leg.state.co.us/billsummaries>.)

This bill creates a five-year income tax credit for a percentage of the costs incurred by a qualifying senior for durable medical equipment, telehealth equipment, home modifications, or home health care services in each income tax year, subject to a maximum amount, in order to assist the qualifying senior with seeking health care in his or her home.

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

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-538 as
3 follows:

4 **39-22-538. Credit for home health care equipment and**
5 **services - legislative declaration - definitions - repeal.** (1) THE
6 GENERAL ASSEMBLY DECLARES THAT THE PURPOSE OF THE TAX
7 EXPENDITURE IN THIS SECTION IS TO MAKE IT MORE AFFORDABLE FOR
8 QUALIFYING SENIORS WITH AN ILLNESS, INJURY, OR OTHER CONDITION TO
9 BE ABLE TO SEEK HEALTH CARE IN THEIR HOMES.

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

12 (a) "COSTS" MEANS ANY OUT-OF-POCKET COSTS INCURRED BY THE
13 QUALIFYING SENIOR AS DOCUMENTED BY RECEIPT, INCLUDING THE COST
14 OF ANY LABOR NECESSARY TO MAKE HOME MODIFICATIONS.

15 (b) "CREDIT CERTIFICATE" MEANS A CERTIFICATE SIGNED BY A
16 REGULATED HEALTH CARE PROFESSIONAL OR AN AUTHORIZED
17 REPRESENTATIVE OF A LICENSED HOME CARE AGENCY OR A REGULATED
18 HOME CARE PLACEMENT AGENCY THAT LISTS IN DETAIL THE DURABLE
19 MEDICAL EQUIPMENT, HOME HEALTH CARE SERVICES, TELEHEALTH
20 EQUIPMENT, OR HOUSEHOLD MODIFICATIONS NECESSARY FOR A
21 QUALIFYING SENIOR'S HOME HEALTH CARE.

22 (c) (I) "DURABLE MEDICAL EQUIPMENT" MEANS EQUIPMENT,
23 INCLUDING REPAIR AND REPLACEMENT PARTS FOR SUCH EQUIPMENT,
24 APPROVED IN A CREDIT CERTIFICATE THAT:

25 (A) CAN WITHSTAND REPEATED USE;

26 (B) IS PRIMARILY AND CUSTOMARILY USED TO SERVE A MEDICAL
27 PURPOSE;

1 (C) IS GENERALLY NOT USEFUL TO A PERSON IN THE ABSENCE OF
2 ILLNESS OR INJURY; AND

3 (D) IS NOT WORN IN OR ON THE BODY.

4 (II) "DURABLE MEDICAL EQUIPMENT" INCLUDES, BUT IS NOT
5 LIMITED TO, HOSPITAL BEDS, INTRAVENOUS POLES AND PUMPS, TRAPEZE
6 BARS, TOILETING AIDS, BATH AND SHOWER AIDS, STANDING AIDS,
7 ADAPTIVE CAR SEATS, COMMUNICATION DEVICES, AND ANY RELATED
8 ACCESSORIES FOR SUCH ITEMS.

9 (d) "HOME HEALTH CARE SERVICES" MEANS THE MEDICAL OR
10 NONMEDICAL SERVICES PROVIDED UNDER A PLAN OF CARE DEVELOPED BY
11 A REGULATED HEALTH CARE PROFESSIONAL, A LICENSED HOME CARE
12 AGENCY, OR A REGULATED HOME CARE PLACEMENT AGENCY AT A PRIVATE
13 RESIDENCE AND APPROVED IN A CREDIT CERTIFICATE.

14 (e) "HOME MODIFICATION" MEANS THE COSTS OF MAKING
15 MODIFICATIONS TO A PRIVATE RESIDENCE THAT ARE DEDUCTIBLE AS
16 MEDICAL EXPENSES ON A QUALIFYING SENIOR'S FEDERAL TAX RETURN AND
17 APPROVED IN A CREDIT CERTIFICATE.

18 (f) "PRIVATE RESIDENCE" MEANS A QUALIFYING SENIOR'S HOME,
19 EITHER IN A SINGLE-FAMILY RESIDENCE OR A MULTI-FAMILY RESIDENCE,
20 THAT IS LOCATED IN COLORADO. PRIVATE RESIDENCE DOES NOT INCLUDE
21 A SKILLED NURSING FACILITY, ASSISTED LIVING FACILITY, HOSPITAL, OR
22 OTHER LICENSED HEALTH FACILITY.

23 (g) "QUALIFYING SENIOR" MEANS A COLORADO RESIDENT AT SUCH
24 AGE WHERE HE OR SHE WOULD MEET MEDICARE'S AGE REQUIREMENT IN
25 THE INCOME TAX YEAR FOR WHICH THE CREDIT IS CLAIMED.

26 (h) "TELEHEALTH EQUIPMENT" MEANS EQUIPMENT NECESSARY
27 DUE TO A PERSON'S DIMINISHING ABILITY AND APPROVED IN A CREDIT

1 CERTIFICATE FOR TELEMEDICINE AS DEFINED IN SECTION 12-36-102.5 (8),
2 C.R.S., OR FOR THE REMOTE MONITORING OF CLINICAL DATA THROUGH
3 ELECTRONIC INFORMATION PROCESSING TECHNOLOGIES.

4 (3) (a) FOR ANY INCOME TAX YEAR COMMENCING ON OR AFTER
5 JANUARY 1, 2015, BUT PRIOR TO JANUARY 1, 2020, THERE IS ALLOWED TO
6 ANY QUALIFYING SENIOR AS A CREDIT AGAINST THE TAX IMPOSED BY THIS
7 ARTICLE A PERCENTAGE, AS SET FORTH IN PARAGRAPH (b) OF THIS
8 SUBSECTION (3), NOT TO EXCEED FIVE THOUSAND DOLLARS PER INCOME
9 TAX YEAR, OF THE COSTS INCURRED BY THE QUALIFYING SENIOR FOR
10 DURABLE MEDICAL EQUIPMENT, TELEHEALTH EQUIPMENT, HOME
11 MODIFICATIONS, OR HOME HEALTH CARE SERVICES IN EACH INCOME TAX
12 YEAR.

13 (b) THE PERCENTAGE OF THE COSTS INCURRED SHALL BE AS
14 FOLLOWS:

15 (I) FOR A SINGLE RETURN:

16 FEDERAL TAXABLE INCOME:	17 PERCENTAGE OF THE COSTS INCURRED:
18 \$0 - \$45,000	70%
19 \$45,001 - \$90,000	35%
20 MORE THAN \$90,000	0%

21 (II) FOR A JOINT RETURN:

22 FEDERAL TAXABLE INCOME:	23 PERCENTAGE OF THE COSTS INCURRED:
24 \$0 - \$90,000	70%
25 \$90,001 - \$180,000	35%
26 MORE THAN \$180,000	0%

27 (4) IF THE CREDIT ALLOWED IN SUBSECTION (3) OF THIS SECTION

1 EXCEEDS THE AMOUNT OF INCOME TAX DUE ON THE INCOME OF THE
2 QUALIFYING SENIOR FOR THE TAX YEAR DURING WHICH THE COSTS WERE
3 INCURRED, THE AMOUNT OF THE TAX CREDIT NOT USED AS AN OFFSET
4 AGAINST INCOME TAXES IN SUCH INCOME TAX YEAR MAY NOT BE
5 ALLOWED AS A REFUND, BUT MAY BE CARRIED FORWARD AND APPLIED
6 AGAINST THE INCOME TAX DUE IN EACH OF THE THREE SUCCEEDING
7 INCOME TAX YEARS, AND MUST FIRST BE APPLIED AGAINST THE INCOME
8 TAX DUE FOR THE EARLIEST OF THE INCOME TAX YEARS POSSIBLE.

9 (5) NO LATER THAN JANUARY 31, 2016, AND EACH JANUARY 31
10 THROUGH JANUARY 31, 2020, THE DEPARTMENT OF REGULATORY
11 AGENCIES OR THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
12 SHALL PROVIDE THE DEPARTMENT OF REVENUE WITH A LIST OF ALL
13 HEALTH CARE PROFESSIONALS REGULATED IN THE PREVIOUS CALENDAR
14 YEAR, ALL HOME CARE AGENCIES LICENSED IN THE PREVIOUS CALENDAR
15 YEAR, AND ALL HOME CARE PLACEMENT AGENCIES REGULATED IN THE
16 PREVIOUS CALENDAR YEAR.

17 (6) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2024.

18 **SECTION 2. Safety clause.** The general assembly hereby finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, and safety.