

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-1004.01 Esther van Mourik x4215

HOUSE BILL 16-1286

HOUSE SPONSORSHIP

Becker K., Singer, Vigil

SENATE SPONSORSHIP

(None),

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING AN INCREASE IN THE PERCENTAGE OF A LANDOWNER'S
102 COSTS INCURRED IN PERFORMING WILDFIRE MITIGATION
103 MEASURES THAT MAY BE CLAIMED BY THE LANDOWNER FOR
104 PURPOSES OF THE WILDFIRE MITIGATION INCOME TAX
105 DEDUCTION.

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>.)

The bill increases the percentage of a landowner's costs incurred in performing wildfire mitigation measures from 50% to 100% that may

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.

be claimed by the landowner for purposes of the wildfire mitigation income tax deduction.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) Warm winters, hot and dry summers, severe drought, insect
5 and disease infestations, years of fire suppression, and population growth
6 in the wildland-urban interface continue to increase wildfire risk and the
7 potential for catastrophic wildfires in Colorado;

8 (b) Mitigating wildfire risk by creating a defensible space around
9 structures is imperative not only to the home and the homeowner, but also
10 to the homeowner's community and to the safety of the firefighters called
11 to defend a home from a wildfire;

12 (c) By creating an adequate defensible space around structures, a
13 homeowner can give firefighters the safest and best chance to defend the
14 home from a wildfire; and

15 (d) Increasing the amount of the existing income tax deduction
16 available for a taxpayer for the costs of wildfire mitigation measures that
17 the taxpayer incurs is sound public policy.

18 **SECTION 2.** In Colorado Revised Statutes, 39-22-104, **amend**
19 (4) (n.5) (I) (A); and **add** (4) (n.5) (I) (A.5) as follows:

20 **39-22-104. Income tax imposed on individuals, estates, and**
21 **trusts - single rate - definitions - repeal.** (4) There shall be subtracted
22 from federal taxable income:

23 (n.5) (I) (A) For income tax years commencing on or after January
24 1, 2014, but prior to ~~January 1, 2025~~ JANUARY 1, 2017, AND FOR INCOME
25 TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2020, BUT PRIOR TO

1 JANUARY 1, 2025, an amount equal to fifty percent of a landowner's costs
2 incurred in performing wildfire mitigation measures in that income tax
3 year on his or her property located within the state; except that the amount
4 of the deduction claimed in an income tax year shall not exceed two
5 thousand five hundred dollars or the total amount of the landowner's
6 federal taxable income for the income tax year for which the deduction
7 is claimed, whichever is less.

8 (A.5) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
9 JANUARY 1, 2017, BUT PRIOR TO JANUARY 1, 2020, AN AMOUNT EQUAL TO
10 ONE HUNDRED PERCENT OF A LANDOWNER'S COSTS INCURRED IN
11 PERFORMING WILDFIRE MITIGATION MEASURES IN THAT INCOME TAX YEAR
12 ON HIS OR HER PROPERTY LOCATED WITHIN THE STATE; EXCEPT THAT THE
13 AMOUNT OF THE DEDUCTION CLAIMED IN AN INCOME TAX YEAR SHALL NOT
14 EXCEED TWO THOUSAND FIVE HUNDRED DOLLARS OR THE TOTAL AMOUNT
15 OF THE LANDOWNER'S FEDERAL TAXABLE INCOME FOR THE INCOME TAX
16 YEAR FOR WHICH THE DEDUCTION IS CLAIMED, WHICHEVER IS LESS.

17 **SECTION 3. Act subject to petition - effective date.** This act
18 takes effect at 12:01 a.m. on the day following the expiration of the
19 ninety-day period after final adjournment of the general assembly (August
20 10, 2016, if adjournment sine die is on May 11, 2016); except that, if a
21 referendum petition is filed pursuant to section 1 (3) of article V of the
22 state constitution against this act or an item, section, or part of this act
23 within such period, then the act, item, section, or part will not take effect
24 unless approved by the people at the general election to be held in
25 November 2016 and, in such case, will take effect on the date of the
26 official declaration of the vote thereon by the governor.