

Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 20-1009.01 Esther van Mourik x4215

HOUSE BILL 20-1298

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HOUSE SPONSORSHIP

**Kraft-Tharp,**

SENATE SPONSORSHIP

**Garcia and Tate,**

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**House Committees**

Business Affairs & Labor  
Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE EXTENSION OF A PROGRAM THAT GRANTS**  
102            **TEMPORARY AUTHORITY TO THE COLORADO ECONOMIC**  
103            **DEVELOPMENT COMMISSION TO ALLOW CERTAIN BUSINESSES TO**  
104            **TREAT SPECIFIC EXISTING INCOME TAX CREDITS DIFFERENTLY.**

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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>.)*

Current law allows the Colorado economic development commission to allow, subject to an annual maximum program amount, certain businesses that make a \$100 million strategic capital investment

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.*

in the state, and subject to the requirements of the specified income tax credits, to treat any of the following income tax credits allowed to the business as either carry forwardable for a 5-year period or transferable:

- ! Colorado job growth incentive tax credit;
- ! Enterprise zone income tax credit for investment in certain property;
- ! Income tax credit for new enterprise zone business employees; and
- ! Enterprise zone income tax credit for expenditures for research and experimental activities.

This bill extends this program for another 3 years.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-46-104.3, **amend**  
3 (1)(h) and (2)(a)(I) introductory portion as follows:

4 **24-46-104.3. Transferable income tax credits for certain**  
5 **businesses located in the state - definitions.** (1) As used in this section,  
6 unless the context otherwise requires:

7 (h) "Twelve-month interval" means each twelve-month interval  
8 from July 1, 2017, through ~~June 30, 2020~~ JUNE 30, 2023, during which  
9 the commission may issue precertifications.

10 (2) (a) (I) Subject to the limitations specified in subsection (2)(b)  
11 of this section, commencing July 1, 2017, through ~~June 30, 2020~~ JUNE 30,  
12 2023, if a business intends to make a strategic capital investment in the  
13 state, the commission may issue a written precertification to the business  
14 to grant the business the authority to treat its allowed income tax credits  
15 during the business' period differently as specified in this section. The  
16 strategic capital investment must be initiated after the issuance of the  
17 precertification and completed before the end of the business' period;  
18 except that, if a business makes a strategic capital investment that could  
19 result in allowed income tax credits with a total value greater than the

1 precertification limitations set forth in subsection (2)(b) of this section,  
2 the commission may issue a second or third written precertification to the  
3 same business in the following twelve-month intervals for the same  
4 strategic capital investment, even if the strategic capital investment has  
5 already been initiated or completed. If, after precertification and during  
6 the business' period, the business meets the requirements of one or more  
7 of the income tax credits as set forth in the statutory sections pertaining  
8 to each credit, then once the income tax credits are allowed, the business  
9 may elect, by filing a written election as specified in subsection (2)(a)(III)  
10 of this section, to:

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