

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 24-0396.02 Jessica Herrera x4218

SENATE BILL 24-044

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SENATE SPONSORSHIP

Kolker and Hansen,

HOUSE SPONSORSHIP

Hamrick and Kipp,

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Senate Committees  
Finance

House Committees

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A BILL FOR AN ACT

101 CONCERNING THE CREATION OF A REFUNDABLE INCOME TAX CREDIT  
102 FOR QUALIFYING PUBLIC EMPLOYEES' RETIREMENT  
103 ASSOCIATION RETIREES.

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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/>.)*

**Pension Review Commission.** The bill creates a refundable income tax credit that is available for income tax years commencing on or after January 1, 2024, but prior to January 1, 2026, for a qualifying public employees' retirement association retiree, which means a full-time Colorado resident individual who:

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

- Is 65 years of age or older at the end of the 2024 or 2025 income tax year; and
- Has an annual gross income of no more than \$38,000 as a single filer or \$76,000 as a joint filer.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-560 as  
3 follows:

4 **39-22-560. Credit against tax - qualifying PERA retirees -**  
5 **creation - tax preference performance statement - legislative**  
6 **declaration - definitions - repeal.** (1) (a) THE GENERAL ASSEMBLY

7 HEREBY FINDS AND DECLARES THAT:

8 (I) INFLATION RATES HAVE INCREASED OVER THE LAST FEW YEARS  
9 AND ARE PREDICTED TO CONTINUE RISING; AND

10 (II) MANY PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION  
11 RETIREES ARE ON A FIXED INCOME, AND THE COST OF LIVING ADJUSTMENTS  
12 FOR RETIREES ARE NOT KEEPING UP WITH RISING INFLATION RATES.

13 (b) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH  
14 REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE  
15 A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY  
16 LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY HEREBY FINDS AND  
17 DECLARES THAT THE PURPOSE OF THE TAX EXPENDITURE CREATED IN  
18 SUBSECTION (3) OF THIS SECTION IS TO PROVIDE TAX RELIEF FOR CERTAIN  
19 PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION RETIREES.

20 (c) THE GENERAL ASSEMBLY AND STATE AUDITOR SHALL MEASURE  
21 THE EFFECTIVENESS OF THE INCOME TAX CREDIT IN ACHIEVING THE  
22 PURPOSE SPECIFIED IN SUBSECTION (1)(b) OF THIS SECTION BASED ON THE  
23 NUMBER OF TAXPAYERS WHO HAVE CLAIMED THE CREDIT.

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

3 (a) "CREDIT" MEANS THE CREDIT AGAINST INCOME TAX THAT IS  
4 CREATED IN THIS SECTION.

5 (b) "QUALIFYING PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION  
6 RETIREE" MEANS A RESIDENT INDIVIDUAL WHO:

7 (I) IS SIXTY-FIVE YEARS OF AGE OR OLDER AT THE CLOSE OF THE  
8 INCOME TAX YEAR FOR WHICH THE CREDIT IS CLAIMED; AND

9 (II) HAS AN ANNUAL GROSS INCOME OF NO MORE THAN  
10 THIRTY-EIGHT THOUSAND DOLLARS IF FILING AS A SINGLE FILER OR  
11 SEVENTY-SIX THOUSAND DOLLARS IF FILING AS A JOINT FILER.

12 (3) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
13 1, 2024, BUT BEFORE JANUARY 1, 2026, A QUALIFYING PUBLIC EMPLOYEES'  
14 RETIREMENT ASSOCIATION RETIREE IS ALLOWED A CREDIT IN THE AMOUNT  
15 OF SEVEN HUNDRED DOLLARS AGAINST THE TAX IMPOSED BY THIS ARTICLE  
16 22.

17 (4) THE AMOUNT OF THE CREDIT ALLOWED UNDER THIS SECTION  
18 THAT EXCEEDS THE QUALIFYING PUBLIC EMPLOYEES' RETIREMENT  
19 ASSOCIATION RETIREE'S INCOME TAXES DUE IS REFUNDED TO THE  
20 QUALIFYING PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION RETIREE.

21 (5) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2035.

22 **SECTION 2. Act subject to petition - effective date.** This act  
23 takes effect at 12:01 a.m. on the day following the expiration of the  
24 ninety-day period after final adjournment of the general assembly; except  
25 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
26 of the state constitution against this act or an item, section, or part of this  
27 act within such period, then the act, item, section, or part will not take

1 effect unless approved by the people at the general election to be held in  
2 November 2024 and, in such case, will take effect on the date of the  
3 official declaration of the vote thereon by the governor.