

HB26-1048 be amended as follows:

1 Amend printed bill, page 5, after line 10 insert:

2 "(7) AN EXEMPTION ESTABLISHED IN SUBSECTION (3) OF THIS  
3 SECTION SHALL ONLY BE ALLOWED IF THE ESTIMATED ADJUSTMENT  
4 FACTOR, AS DEFINED IN SECTIONS 39-22-130 (2)(b)(I) AND 39-22-123.5  
5 (3.5)(a)(VI), FOR THE APPLICABLE STATE INCOME TAX YEAR WILL BE  
6 GREATER THAN THREE AND SEVENTY-FIVE ONE-HUNDREDTHS PERCENT."

7 Renumber succeeding subsection accordingly.

8 Page 6, after line 11 insert:

9 "SECTION 3. In Colorado Revised Statutes, 39-22-123.5, amend  
10 (3.5)(a)(VI) as follows:

11 **39-22-123.5. Earned income tax credit - legislative declaration**  
12 **- repeal.**

13 (3.5) (a) As used in this subsection (3.5), unless the context  
14 otherwise requires:

15 (VI) "EV" means the estimate of the state's nonexempt revenue  
16 for the applicable state fiscal year included in the applicable forecast  
17 excluding the projected aggregate amount of the increased portion of the  
18 earned income tax credit allowed pursuant to subsection (3.5)(b) or  
19 (3.5)(c) of this section, ~~and~~ the projected aggregate amount of the credit  
20 allowed pursuant to section 39-22-130, created in House Bill 24-1311,  
21 enacted in 2024, AND THE REVENUE LOSS ATTRIBUTABLE TO THE SALES  
22 AND USE TAX EXEMPTION ALLOWED PURSUANT TO SECTION 39-26-735,  
23 CREATED IN HOUSE BILL 26-1048, ENACTED IN 2026, for the given income  
24 tax year.

25 SECTION 4. In Colorado Revised Statutes, 39-22-130, amend  
26 (2)(b)(II)(E) as follows:

27 **39-22-130. Family affordability tax credit - tax preference**  
28 **performance statement - legislative declaration - definitions - repeal.**

29 (2) As used in this section, unless the context otherwise requires:

30 (b) (II) As used in this subsection (2)(b):

31 (E) "EV" means the estimate of the state's nonexempt revenue for  
32 the applicable state fiscal year included in the applicable forecast  
33 excluding the projected aggregate amount of the tax credit allowed  
34 pursuant to this section, ~~and~~ the projected aggregate amount of the  
35 increased portion of the earned income tax credit allowed pursuant to  
36 section 39-22-123.5 (3.5), created in House Bill 24-1134, enacted in  
37 2024, AND THE REVENUE LOSS ATTRIBUTABLE TO THE SALES AND USE TAX

- 1 EXEMPTION ALLOWED PURSUANT TO SECTION 39-26-735, CREATED IN
- 2 HOUSE BILL 26-1048, ENACTED IN 2026, for the given income tax year.".
- 3 Renumber succeeding section accordingly.

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