

CHAPTER 274

INSURANCE

HOUSE BILL 26-1346

BY REPRESENTATIVE(S) Titone and Woodrow, Brown, McCluskie, Bacon, Boesenecker, Duran, Garcia, Lindsay, Nguyen, Story;
also SENATOR(S) Kipp and Snyder, Bridges, Coleman.

AN ACT**CONCERNING ALLOWING THE DEPARTMENT OF THE TREASURY TO SELL UNSOLD INSURANCE PREMIUM TAX CREDITS TO ENTITIES THAT ARE NOT INSURANCE COMPANIES.**

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

SECTION 1. In Colorado Revised Statutes, 24-36-402, **amend** (4) as follows:

24-36-402. Definitions.

As used in this part 4, unless the context otherwise requires:

(4) (a) "Qualified taxpayer" means:

(I) An insurance company authorized to do business in Colorado that has premium tax liability owing to the state and that purchases a tax credit under this part 4; OR

(II) AN ENTITY, OTHER THAN AN INSURANCE COMPANY, AUTHORIZED TO DO BUSINESS IN COLORADO THAT CONTRACTS WITH THE DEPARTMENT TO PURCHASE A TAX CREDIT THAT REMAINS UNSOLD FOLLOWING THE APPLICATION PROCESS FOR INSURANCE COMPANIES CONDUCTED BY THE DEPARTMENT PURSUANT TO SECTION 24-36-403.

(b) "Qualified taxpayer" also includes an insurance company that receives or assumes a tax credit transferred in accordance with section 24-36-403 (7)(e) or 24-36-404 (5).

SECTION 2. In Colorado Revised Statutes, 24-36-404, **amend** (5) as follows:

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

24-36-404. Use of insurance premium tax credits - carry over.

(5)(a) If a qualified taxpayer holding an unclaimed tax credit is part of a merger, acquisition, or line of business divestiture transaction, the tax credit may be transferred to and assumed by the resulting entity if the resulting entity is an insurance company authorized to do business in Colorado that has premium tax liability.

(b) AN UNCLAIMED TAX CREDIT PURCHASED BY A QUALIFIED TAXPAYER DESCRIBED IN SECTION 24-36-402 (4)(a)(II) MAY BE TRANSFERRED ONCE TO AN INSURANCE COMPANY AUTHORIZED TO DO BUSINESS IN COLORADO THAT HAS PREMIUM TAX LIABILITY, WHICH INSURANCE COMPANY SHALL NOT TRANSFER THE TAX CREDIT EXCEPT IN ACCORDANCE WITH SUBSECTION (5)(a) OF THIS SECTION OR SECTION 24-36-403 (7)(e).

(c) The qualified taxpayer that originally purchased the credit and the resulting entity OR INSURANCE COMPANY TRANSFEREE, AS APPLICABLE, shall notify the department in writing of the transfer or assumption of the credit in accordance with procedures adopted by the department. UPON RECEIPT OF A NOTICE OF TRANSFER OR ASSUMPTION OF THE CREDIT, THE DEPARTMENT SHALL ISSUE A NEW TAX CREDIT CERTIFICATE TO THE TRANSFEROR AND THE TRANSFEREE. The transfer or assumption of the tax credit does not affect the time schedule for claiming the tax credit as provided in this section.

SECTION 3. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: June 1, 2026