

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 18-0778.01 Esther van Mourik x4215

HOUSE BILL 18-1267

HOUSE SPONSORSHIP

Gray and McKean,

SENATE SPONSORSHIP

(None),

House Committees

Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING AN INCOME TAX CREDIT FOR RETROFITTING A RESIDENCE

102 TO INCREASE THE RESIDENCE'S VISITABILITY.

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>.)

The bill provides an income tax credit to an individual who retrofits or hires someone to retrofit the individual's residence. The bill specifies that the retrofit must:

- ! Be necessary to ensure the health, welfare, and safety of a qualified individual;
- ! Increase the residence's visitability;

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.

- ! Enable greater accessibility and independence in the residence for a qualified individual;
- ! Be required due to illness, impairment, or disability of a qualified individual; and
- ! Allow a qualified individual to age in place.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-539 as
3 follows:

4 **39-22-539. Credit for retrofitting a residence to increase a**
5 **residence's visitability - legislative declaration - definitions - repeal.**

6 (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT THE
7 INTENDED PURPOSE OF THE TAX CREDIT CREATED IN THIS SECTION IS TO
8 MAKE RETROFITTING A RESIDENCE FOR HEALTH, WELFARE, AND SAFETY
9 REASONS MORE AFFORDABLE.

10 (2) AS USED IN THIS SECTION:

11 (a) "DEPENDENT" HAS THE SAME MEANING AS IN SECTION 152 (a)
12 OF THE INTERNAL REVENUE CODE.

13 (b) "DIVISION OF HOUSING" MEANS THE DIVISION OF HOUSING IN
14 THE DEPARTMENT OF LOCAL AFFAIRS CREATED IN SECTION 24-32-704.

15 (c) "QUALIFIED INDIVIDUAL" MEANS AN INDIVIDUAL WITH A
16 FAMILY INCOME AT OR BELOW FOUR HUNDRED PERCENT OF THE FEDERAL
17 POVERTY LEVEL, AN INDIVIDUAL'S SPOUSE, OR A DEPENDENT OF THE
18 INDIVIDUAL.

19 (d) "RETROFIT" MEANS CHANGES MADE TO A RESIDENCE THAT
20 MUST:

21 (I) BE NECESSARY TO ENSURE THE HEALTH, WELFARE, AND SAFETY
22 OF A QUALIFIED INDIVIDUAL;

23 (II) INCREASE THE RESIDENCE'S VISITABILITY;

1 (III) ENABLE GREATER ACCESSIBILITY AND INDEPENDENCE IN THE
2 RESIDENCE FOR A QUALIFIED INDIVIDUAL;

3 (IV) BE REQUIRED DUE TO A QUALIFIED INDIVIDUAL'S ILLNESS,
4 IMPAIRMENT, OR DISABILITY; AND

5 (V) ALLOW A QUALIFIED INDIVIDUAL TO AGE IN PLACE.

6 (e) "VISITABILITY" MEANS A MEASURE OF A RESIDENCE'S EASE OF
7 ACCESS FOR PERSONS WITH DISABILITIES.

8 (3) (a) (I) EXCEPT AS PROVIDED IN SUBSECTION (3)(b)(III) OF THIS
9 SECTION, FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
10 1, 2019, BUT PRIOR TO JANUARY 1, 2024, AN INDIVIDUAL WHO RETROFITS
11 OR HIRES SOMEONE TO RETROFIT THE INDIVIDUAL'S RESIDENCE AND WHO
12 MEETS ANY ADDITIONAL REQUIREMENTS ESTABLISHED BY THE DIVISION OF
13 HOUSING IS ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED BY
14 THIS ARTICLE 22 IN AN AMOUNT EQUAL TO THE COST OF THE RETROFIT OR
15 FIVE THOUSAND DOLLARS, WHICHEVER IS LESS.

16 (II) THE DIVISION OF HOUSING SHALL CONSULT WITH
17 STAKEHOLDERS IN ESTABLISHING ANY ADDITIONAL REQUIREMENTS FOR
18 THE INCOME TAX CREDIT AS REQUIRED IN SUBSECTION (3)(a)(I) OF THIS
19 SECTION.

20 (b) (I) THE DIVISION OF HOUSING IS RESPONSIBLE FOR ISSUING
21 CREDIT CERTIFICATES TO QUALIFIED INDIVIDUALS. THE CREDIT
22 CERTIFICATE MUST IDENTIFY THE TAXPAYER AND CERTIFY THAT THE
23 INDIVIDUAL MEETS THE REQUIREMENTS SET FORTH IN THIS SECTION.

24 (II) TO CLAIM THE CREDIT UNDER THIS SECTION, THE INDIVIDUAL
25 MUST INCLUDE THE CREDIT CERTIFICATE WITH THE INCOME TAX RETURN
26 FILED WITH THE DEPARTMENT OF REVENUE.

27 (III) THE DIVISION OF HOUSING SHALL TRACK ALL THE CREDIT

1 CERTIFICATES ISSUED UNDER THIS SECTION IN EACH INCOME TAX YEAR
2 AND, WHEN THE TOTAL AMOUNT OF CREDIT CERTIFICATES ISSUED EQUALS
3 ONE MILLION DOLLARS PER INCOME TAX YEAR, SHALL CEASE ISSUING
4 CREDIT CERTIFICATES IN THAT INCOME TAX YEAR. UNTIL THE ONE MILLION
5 DOLLAR PER INCOME TAX YEAR CAP IS REACHED, THE CREDIT
6 CERTIFICATES SHALL BE ISSUED IN THE ORDER IN WHICH THEY ARE
7 REQUESTED.

8 (4) IF THE AMOUNT OF THE CREDIT ALLOWED IN THIS SECTION
9 EXCEEDS THE AMOUNT OF INCOME TAXES OTHERWISE DUE ON THE
10 INDIVIDUAL'S INCOME IN THE INCOME TAX YEAR FOR WHICH THE CREDIT
11 IS BEING CLAIMED, THE AMOUNT OF THE CREDIT NOT USED AS AN OFFSET
12 AGAINST INCOME TAXES IN THE CURRENT INCOME TAX YEAR MAY BE
13 CARRIED FORWARD AND USED AS A CREDIT AGAINST SUBSEQUENT YEARS'
14 INCOME TAX LIABILITY FOR A PERIOD NOT TO EXCEED FIVE YEARS AND
15 MUST BE APPLIED FIRST TO THE EARLIEST INCOME TAX YEARS POSSIBLE.
16 ANY CREDIT REMAINING AFTER THE PERIOD MAY NOT BE REFUNDED OR
17 CREDITED TO THE INDIVIDUAL.

18 (5) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2028.

19 **SECTION 2. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly (August
22 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
23 referendum petition is filed pursuant to section 1 (3) of article V of the
24 state constitution against this act or an item, section, or part of this act
25 within such period, then the act, item, section, or part will not take effect
26 unless approved by the people at the general election to be held in

1 November 2018 and, in such case, will take effect on the date of the
2 official declaration of the vote thereon by the governor.