

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 19-0402.01 Ed DeCecco x4216

HOUSE BILL 19-1013

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SENATE SPONSORSHIP

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House Committees

Finance
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Senate Committees

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Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE EXTENSION OF THE INCOME TAX CREDIT FOR CHILD**
102 **CARE EXPENSES PAID BY A RESIDENT INDIVIDUAL WITH A**
103 **FEDERAL ADJUSTED GROSS INCOME OF TWENTY-FIVE THOUSAND**
104 **DOLLARS OR LESS.**

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>.)

For income tax years prior to January 1, 2021, a resident individual who has a federal adjusted gross income of \$25,000 or less may claim a refundable state income tax credit for child care expenses for the care of

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.

SENATE
2nd Reading Unamended
April 26, 2019

HOUSE
3rd Reading Unamended
April 16, 2019

HOUSE
Amended 2nd Reading
April 12, 2019

a dependent who is less than 13 years old. The tax credit is equal to 25% of eligible child care expenses that the individual incurred during the taxable year, up to a maximum amount of \$500 for a single dependent or \$1,000 for 2 or more dependents. The bill makes the tax credit permanent.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-119.5, **amend**
3 (3)(a) introductory portion; and **repeal** (3)(a.5) and (7) as follows:

4 **39-22-119.5. Child care expenses tax credit - legislative**
5 **declaration - definitions.** (3) (a) For income tax years beginning on and
6 after January 1, 2014, but prior to January 1, 2017, and for income tax
7 years ~~specified in subsection (3)(a.5) of this section~~ BEGINNING ON AND
8 AFTER JANUARY 1, 2018, **BUT PRIOR TO JANUARY 1, 2029**, a resident
9 individual is allowed a credit against the taxes due under this ~~article~~
10 ARTICLE 22 for child care expenses that the individual incurred during the
11 taxable year if:

12 (a.5) (I) ~~If, based on the revenue estimate prepared by legislative~~
13 ~~council staff in June 2017, the general fund surplus for the 2016-17 state~~
14 ~~fiscal year is expected to be greater than or equal to two million nine~~
15 ~~hundred thousand dollars, then the credit is available for income tax years~~
16 ~~beginning on and after January 1, 2017, but prior to January 1, 2020.~~

17 (II) ~~If the condition in subsection (3)(a.5)(I) of this section is not~~
18 ~~met, then the credit is available for income tax years beginning on and~~
19 ~~after January 1, 2018, but prior to January 1, 2021.~~

20 (III) ~~For purposes of determining whether subsection (3)(a.5)(I)~~
21 ~~or (3)(a.5)(II) of this section applies, legislative council staff shall not~~
22 ~~take into account any reduction in revenue that would result from the~~
23 ~~credit applying for income tax years beginning on and after January 1,~~

1 ~~2017, but prior to January 1, 2018.~~

2 ~~(7) This section is repealed, effective January 1, 2022.~~

3 **SECTION 2. Act subject to petition - effective date.** This act
4 takes effect at 12:01 a.m. on the day following the expiration of the
5 ninety-day period after final adjournment of the general assembly (August
6 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
7 referendum petition is filed pursuant to section 1 (3) of article V of the
8 state constitution against this act or an item, section, or part of this act
9 within such period, then the act, item, section, or part will not take effect
10 unless approved by the people at the general election to be held in
11 November 2020 and, in such case, will take effect on the date of the
12 official declaration of the vote thereon by the governor.