

CHAPTER 182

TAXATION

HOUSE BILL 20-1109

BY REPRESENTATIVE(S) Van Winkle and Garnett, Carver, Champion, Gray, Herod, Titone, Woodrow;
also SENATOR(S) Gardner and Todd, Cooke, Danielson, Fenberg, Fields, Ginal, Gonzales, Hisey, Holbert, Lee, Lundeen,
Moreno, Pettersen, Priola, Scott, Smallwood, Sonnenberg, Tate, Williams A., Winter, Woodward, Zenzinger, Garcia.

AN ACT**CONCERNING AN EXTENSION OF THE INCOME TAX CREDIT FOR EMPLOYER CONTRIBUTIONS TO
EMPLOYEE 529 QUALIFIED STATE TUITION PROGRAMS.**

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

SECTION 1. Legislative declaration. The general assembly hereby finds and declares that the intended purpose of this tax expenditure is to extend an incentive for employers to help their employees enhance education savings goals by contributing directly to the employees' qualified state tuition program accounts administered by collegeinvest.

SECTION 2. In Colorado Revised Statutes, 39-22-539, **amend** (3) and (7) as follows:

39-22-539. Credit for employer contributions to employee 529 qualified state tuition programs - legislative declaration - definitions - repeal. (3) For income tax years commencing on or after January 1, 2019, but prior to ~~January 1, 2022~~ JANUARY 1, 2032, if an employer makes a contribution of money to a 529 qualified state tuition program account owned by an employee during the income tax year, without regard to the named beneficiary of the account, then the employer is allowed a credit against the income taxes imposed by this article 22 in an amount equal to twenty percent of the contribution. The maximum total credit an employer may claim under this section for each employee in a taxable year is five hundred dollars.

(7) This section is repealed, effective ~~December 31, 2024~~ DECEMBER 31, 2036.

SECTION 3. Act subject to petition - effective date. This act takes effect at

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.

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

Approved: June 29, 2020