

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 23-0443.01 Zach Blaes x4348

HOUSE BILL 23-1006

HOUSE SPONSORSHIP

Young,

SENATE SPONSORSHIP

Exum,

House Committees
Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE NOTICE REQUIREMENTS OF EMPLOYERS REGARDING
102 INCOME TAX CREDITS, AND, IN CONNECTION THEREWITH,
103 REQUIRING EMPLOYERS TO NOTIFY EMPLOYEES OF THE
104 AVAILABILITY OF THE FEDERAL EARNED INCOME TAX CREDIT,
105 THE STATE EARNED INCOME TAX CREDIT, THE FEDERAL CHILD
106 TAX CREDIT, AND THE STATE CHILD TAX CREDIT.

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>.)

Current law requires an employer to provide its employees with an

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.

annual statement showing the total compensation paid and the income tax withheld for the preceding calendar year. The bill requires an employer to also provide, within a week before or after providing the statement and in the same manner as the statement is provided, written notice of the availability of the federal and state earned income tax credits and the federal and state child tax credits. The written notice must be in English and any other language the employer uses to communicate with employees and must include any additional content that the department of revenue prescribes.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-604, **add**
3 (6)(c) as follows:

4 **39-22-604. Withholding tax - requirement to withhold - tax**
5 **lien - exemption from lien - annual statement - notice - definitions.**

6 (6) (c) FOR THE INCOME TAX YEARS COMMENCING ON AND AFTER
7 JANUARY 1, 2023, AN EMPLOYER SHALL PROVIDE, ALONG WITH THE
8 ANNUAL STATEMENT ISSUED PURSUANT TO SUBSECTION (6)(a) OF THIS
9 SECTION, WRITTEN NOTICE TO ALL EMPLOYEES OF THE AVAILABILITY OF
10 THE FEDERAL EARNED INCOME TAX CREDIT ALLOWED PURSUANT TO
11 SECTION 32 OF THE INTERNAL REVENUE CODE, THE STATE EARNED INCOME
12 TAX CREDIT ALLOWED PURSUANT TO SECTION 39-22-123.5, THE FEDERAL
13 CHILD TAX CREDIT ALLOWED PURSUANT TO SECTION 24 OF THE INTERNAL
14 REVENUE CODE, AND THE STATE CHILD TAX CREDIT ALLOWED PURSUANT
15 TO SECTION 39-22-129. THE EMPLOYER MUST PROVIDE THE WRITTEN
16 NOTICE NO EARLIER THAN SEVEN CALENDAR DAYS BEFORE AND NO LATER
17 THAN SEVEN CALENDAR DAYS AFTER THE DATE THE EMPLOYER ISSUES THE
18 ANNUAL STATEMENT REQUIRED BY SUBSECTION (6)(a) OF THIS SECTION.
19 THE WRITTEN NOTICE MUST:

20 (I) BE PROVIDED IN THE SAME MANNER THAT THE EMPLOYER USES

1 TO ISSUE THE ANNUAL STATEMENT TO THE EMPLOYEE;

2 (II) BE WRITTEN IN ENGLISH AND IN ANY OTHER LANGUAGE THAT
3 THE EMPLOYER TYPICALLY USES TO COMMUNICATE WITH THE EMPLOYEE
4 TO WHOM THE NOTICE IS SENT; AND

5 (III) INCLUDE ANY CONTENT THAT THE DEPARTMENT PRESCRIBES
6 AS NECESSARY FOR AN EMPLOYER TO MEET THE WRITTEN NOTICE
7 REQUIREMENT PURSUANT TO THIS SUBSECTION (6)(c). IF THE DEPARTMENT
8 DETERMINES THAT ADDITIONAL CONTENT IS NECESSARY, THE
9 DEPARTMENT SHALL PROMULGATE RULES SPECIFYING THE ADDITIONAL
10 CONTENT.

11 **SECTION 2. Act subject to petition - effective date.** This act
12 takes effect at 12:01 a.m. on the day following the expiration of the
13 ninety-day period after final adjournment of the general assembly; except
14 that, if a referendum petition is filed pursuant to section 1 (3) of article V
15 of the state constitution against this act or an item, section, or part of this
16 act within such period, then the act, item, section, or part will not take
17 effect unless approved by the people at the general election to be held in
18 November 2024 and, in such case, will take effect on the date of the
19 official declaration of the vote thereon by the governor.