

PRIMARY VEHICLE USE LIMITATION DEDUCTION AGAINST GROSS INCOME

Be it enacted by the People of the State of Colorado:

SECTION 1. Declaration of the People of Colorado

TRAFFIC ON COLORADO’S ROADS CONTINUES TO INCREASE. BECAUSE COLORADO IS COMMITTED TO REDUCING THE IMPACT OF VEHICLE EMISSIONS ON OUR ENVIRONMENT AND BECAUSE IT IS IMPORTANT TO MAKE ENVIRONMENTALLY RESPONSIBLE CHOICES ECONOMICALLY FEASIBLE FOR ALL COLORADANS, THE STATE SHOULD ACT TO INCENTIVIZE RESPONSIBLE USE OF PERSONAL VEHICLES.

ACCORDINGLY, ALL COLORADO RESIDENTS SHOULD BE PERMITTED TO CLAIM A DEDUCTION FROM COLORADO GROSS INCOME IF THEY DRIVE THEIR PRIMARY VEHICLE LESS THAN 15,000 MILES PER CALENDAR YEAR.

SECTION 2. In Colorado Revised Statutes, **add** 39-22-542 as follows:

39-22-542. Deduction from Colorado Gross Income for Economic Use of Primary Vehicle . (1)(a) FOR TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2021, THERE SHALL BE ALLOWED TO ANY PERSON WHO OPERATES THEIR PRIMARY MOTOR VEHICLE LESS THAN 10,000 MILES DURING THE TAX YEAR, A DEDUCTION FROM COLORADO GROSS INCOME OF \$10,000.00.

(b) FOR TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2021, THERE SHALL BE ALLOWED TO ANY PERSON WHO OPERATES THEIR PRIMARY MOTOR VEHICLE GREATER THAN 10,000 MILES, BUT LESS THAN 15,000 MILES DURING THE TAX YEAR, A DEDUCTION FROM COLORADO GROSS INCOME OF \$5,000.00.

(2) AS USED IN THIS SECTION, “PRIMARY MOTOR VEHICLE” SHALL MEAN THE MOTOR VEHICLE TITLED TO A COLORADO RESIDENT, AND PROPERLY REGISTERED WITH THE DEPARTMENT OF REVENUE PURSUANT TO SECTION 42-3-102 THAT IS ALSO THE VEHICLE DRIVEN THE MOST MILES IN TAX YEAR FOR WHICH A DEDUCTION TO COLORADO GROSS INCOME UNDER THIS SECTION IS CLAIMED.

(3) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE SHALL HAVE POWER TO PROMULGATE RULES FOR THE ADMINISTRATION OF THIS SECTION.

SECTION 3. Effective date - applicability. All Sections shall take effect on January 1, 2021.

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