



Bill Summary

The Legislative Oversight Committee on Tax Policy recommends HB25-1012, which repurposes funds for a refundable tax credit for Colorado National Guardsmen pursuing education through the Guard's tuition assistance program. To qualify, Guardsmen must first exhaust or lack access to the Post-9/11 GI Bill at the full rate. The credit covers additional expenses, like housing and books, not covered by tuition assistance, and supports educational credentials up to a bachelor's degree at Colorado State colleges. This bill seeks to align benefits with federal and other state programs to improve recruitment, retention, and morale.

Issue

The current tax expenditure for Military Service Persons Reacquiring Residency Deduction is underutilized and really provides no net benefit to either the state or the individual.

Solution

Colorado National Guard members make significant sacrifices to serve their state and country, often balancing military duties with civilian careers and family responsibilities. Their commitment in protecting our communities, responding to emergencies, and supporting national defense are invaluable. Providing a tax credit to pursue higher education in coordination with the tuition assistance program is a meaningful way to ensure they are provided similar opportunities as other states and that the federal government provides their service-members.

HB25-1012:

Income Tax Expenditures for Service Members

House Sponsors: Representatives Joseph and Marshall

Senate Sponsors: Senator Liston

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