

## CHAPTER 369

---

**TAXATION**


---

**HOUSE BILL 22-1310**

BY REPRESENTATIVE(S) Larson and Kipp, Amabile, Bernett, Bird, Bockenfeld, Boesenecker, Esgar, Exum, Geitner, Herod, Hooton, Kennedy, Lindsay, Lontine, McCluskie, McCormick, McLachlan, Michaelson Jenet, Mullica, Ricks, Sandridge, Snyder, Soper, Tipper, Titone, Valdez A., Van Winkle, Weissman, Woodrow, Young;  
 also SENATOR(S) Bridges and Woodward, Coram, Ginal, Hansen, Hisey, Holbert, Kirkmeyer, Lee, Moreno, Pettersen, Priola, Scott, Smallwood, Zenzinger.

**AN ACT**

**CONCERNING THE ALIGNMENT OF THE STATE INCOME TAX DEDUCTION FOR CONTRIBUTIONS TO A 529 ACCOUNT WITH THE CHANGES IN THE FEDERAL "SETTING EVERY COMMUNITY UP FOR RETIREMENT ENHANCEMENT ACT OF 2019" THAT ALLOWS TAX-FREE DISTRIBUTIONS FOR ELIGIBLE APPRENTICESHIP PROGRAMS.**

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

**SECTION 1.** In Colorado Revised Statutes, 23-3.1-302, **amend** (12) as follows:

**23-3.1-302. Definitions.** As used in this part 3, unless the context otherwise requires:

(12) "Qualified higher education expenses" has the same meaning as that term is defined in ~~section 529~~ SECTION 529 (e)(3) of the internal revenue code, AND EXPENSES FOR FEES, BOOKS, SUPPLIES, AND EQUIPMENT REQUIRED FOR THE PARTICIPATION OF A DESIGNATED BENEFICIARY IN AN APPRENTICESHIP PROGRAM AS DEFINED IN SECTION 529 (c)(8) OF THE INTERNAL REVENUE CODE.

**SECTION 2.** In Colorado Revised Statutes, 39-22-104, **amend** (4)(i)(IV) as follows:

**39-22-104. Income tax imposed on individuals, estates, and trusts - single rate - report - legislative declaration - definitions - repeal.** (4) There shall be subtracted from federal taxable income:

(i) (IV) As used in this paragraph (i), ~~"designated beneficiary", means a~~

---

*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.*

~~designated beneficiary as defined in section 529 (e)(1) of the internal revenue code; "qualified state tuition program", means a qualified state tuition program as defined in section 529 (b) of the internal revenue code, and "qualified higher education expenses" means qualified higher education expenses as defined in section 529 (e)(3) of the internal revenue code~~ SUBSECTION (4)(i), UNLESS THE CONTEXT OTHERWISE REQUIRES:

(A) "DESIGNATED BENEFICIARY" HAS THE SAME MEANING AS DEFINED IN SECTION 529 (e)(1) OF THE INTERNAL REVENUE CODE.

(B) "QUALIFIED HIGHER EDUCATION EXPENSE" HAS THE SAME MEANING AS DEFINED IN SECTION 529 (e)(3) OF THE INTERNAL REVENUE CODE, AND EXPENSES FOR FEES, BOOKS, SUPPLIES, AND EQUIPMENT REQUIRED FOR THE PARTICIPATION OF A DESIGNATED BENEFICIARY IN AN APPRENTICESHIP PROGRAM AS DEFINED IN SECTION 529 (c)(8) OF THE INTERNAL REVENUE CODE.

(C) "QUALIFIED STATE TUITION PROGRAM" MEANS A QUALIFIED TUITION PROGRAM AS DEFINED IN SECTION 529 (b) OF THE INTERNAL REVENUE CODE.

**SECTION 3. Act subject to petition - effective date.** This act takes effect January 1, 2023; 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 the ninety-day period after final adjournment of the general assembly, 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 2022 and, in such case, will take effect January 1, 2023, or on the date of the official declaration of the vote thereon by the governor, whichever is later.

Approved: June 3, 2022