

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 24-0658.03 Jason Gelender x4330

**HOUSE BILL 24-1295**

**HOUSE SPONSORSHIP**

**Titone and Herod**, Amabile, Bacon, Bird, Boesenecker, Duran, English, Froelich, Hamrick, Hernandez, Jodeh, Joseph, Kipp, Lieder, Lindsay, Lindstedt, Lukens, Mabrey, McCluskie, McCormick, McLachlan, Ortiz, Ricks, Sirota, Snyder, Valdez, Velasco, Willford, Woodrow

**SENATE SPONSORSHIP**

**Fenberg and Coleman**,

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**House Committees**

Business Affairs & Labor  
Finance  
Appropriations

**Senate Committees**

Finance  
Appropriations

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**A BILL FOR AN ACT**

101      **CONCERNING COMMUNITY REVITALIZATION INCENTIVES FOR THE**  
102            **SUPPORT OF CREATIVE INDUSTRIES, AND, IN CONNECTION**  
103            **THEREWITH, EXTENDING THE COMMUNITY GRANT**  
104            **REVITALIZATION PROGRAM, CREATING AN INCOME TAX CREDIT**  
105            **FOR EXPENSES INCURRED IN COMPLETING INFRASTRUCTURE**  
106            **THAT SUPPORTS CREATIVE INDUSTRIES AND CREATIVE INDUSTRY**  
107            **WORKERS, AND MAKING AN APPROPRIATION.**

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**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>.)*

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters or bold & italic numbers indicate new material to be added to existing law.*  
*Dashes through the words or numbers indicate deletions from existing law.*

HOUSE  
3rd Reading Unamended  
April 26, 2024

HOUSE  
Amended 2nd Reading  
April 25, 2024

**Section 1** of the bill modifies the community revitalization grant program (grant program) by:

- Including projects that are eligible for funding under the space to create program administered by the creative industries division (division) within the office of economic development (office) as projects intended to be supported by the grant program;
- Extending deadlines for the adoption of policies, procedures, and guidelines for the grant program and for grant program reporting; and
- Extending the scheduled repeal of the grant program from January 1, 2025, to the date on which all money transferred or otherwise credited to the community revitalization fund pursuant to this section is expended.

**Section 2** creates a new community revitalization income tax credit (credit), for income tax years commencing on or after January 1, 2026, but before January 1, 2033, in an amount equal to 25% of the amount of eligible expenditures made by a qualified applicant in completing an eligible project; except that the office may reduce the credit percentage for reservations for credits made in any income tax year, and the maximum amount of the credit for a single project is \$3 million. In addition, the maximum amount of credits that may be reserved during any calendar year is \$16 million. An eligible project is a capital improvement project within a creative district, a historic district, or a neighborhood commercial center or a main street that involves the construction, rehabilitation, conversion, remodeling, or other improvement of one or more buildings, structures, or facilities for uses that support creative industries and creative industry workers and that is approved as an eligible project by the office.

The bill details a process for claiming the credit that requires:

- The submission by a qualified applicant to the office of an eligible project plan that includes an estimate of eligible expenditures;
- Preliminary and final review and approval of the plan by the office;
- Reservation of a credit for the qualified applicant by the office;
- Commencement of the eligible project incurrence by the qualified applicant of a specified minimum portion of the eligible expenditures within a specified period;
- Completion of the eligible project;
- Issuance of a tax credit certificate by the office;
- Filing of the tax credit certificate by the qualified applicant with the department of revenue with the qualified

- applicant's tax return or informational return; and  
● Recapture of the credit if the eligible project is not used for a use that makes it an eligible project during a specified compliance period.

The office is required to annually report to the general assembly regarding the credit and may, after soliciting advice from the department of revenue, create and modify policies and procedures as necessary to implement the credit.

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

2 **SECTION 1.** In Colorado Revised Statutes, 23-15-102, **amend**

3 (1)(a) as follows:

4 **23-15-102. Legislative declaration.** (1) The general assembly  
5 hereby finds and declares that:

6 (a) It is the intent of the general assembly to create the Colorado  
7 educational and cultural facilities authority to lend money to educational  
8 institutions and cultural institutions; to authorize the authority to acquire,  
9 construct, reconstruct, repair, alter, improve, extend, own, lease, and  
10 dispose of properties to the end that the authority may be able to promote  
11 the welfare of the people of this state; to authorize the authority to  
12 administer the Colorado education savings program; to permit the bonds  
13 or certificates of participation of the authority and the bonds or  
14 certificates of participation of other issuers to be designated as Colorado  
15 education savings bonds or certificates; and to vest such authority with  
16 powers to enable such authority to accomplish such purposes; ~~It is not the~~  
17 ~~intent of the general assembly to authorize the authority to operate any~~  
18 ~~such educational or cultural facility.~~

19 **SECTION 2.** In Colorado Revised Statutes, 23-15-103, **amend**

20 (8.5)(a)(I)(A) and (8.5)(a)(II)(A) as follows:

21 **23-15-103. Definitions.** As used in this article, unless the context

1 otherwise requires:

2 (8.5) (a) (I) (A) "Facility", in the case of a participating  
3 educational institution, means any structure or building suitable for use  
4 as a housing facility, an instructional facility, an administration building,  
5 a research facility, a laboratory, a maintenance, storage, or utility facility,  
6 an auditorium, a dining hall, a food service and preparation facility, a  
7 mental or physical health-care facility, a recreational facility, A HOTEL, or  
8 a student center facility or any other structure or facility required or useful  
9 for the operation of an educational institution, including, but not limited  
10 to: Offices, parking lots and garages, EATING OR DRINKING  
11 ESTABLISHMENTS, GIFT SHOPS, LODGING, and other supporting service  
12 structures; any equipment, furnishings, and appurtenances necessary or  
13 useful in the operation of a participating educational institution; and the  
14 acquisition, preparation, and development of all real and personal  
15 property necessary or convenient as a site or sites for any such structure  
16 or facility.

17 (II) (A) "Facility", in the case of a cultural institution, means any  
18 property that is suitable for the particular purposes of a cultural  
19 institution, including, without limitation, any such property suitable for  
20 use as or in connection with the operation of any one or more of the  
21 following: An administrative facility, an aquarium, an assembly hall, an  
22 auditorium, a botanical garden, an exhibition or performance hall or  
23 structure, a gallery, a greenhouse, a library, a museum, a scientific  
24 laboratory, A FILM CENTER, A HOTEL, a housing facility that serves the  
25 cultural needs of its residents and is being financed as part of a multistate  
26 program of financing educational or cultural facilities under this article,  
27 a theater, or a zoological facility; and also including, without limitation,

1 the books, works of art or music, and the animal, plant, or aquatic life or  
2 other items contained therein for display, exhibition, or performance. The  
3 term "facility" includes any other structure or facility required or useful  
4 for the operation of a cultural institution including, but not limited to,  
5 offices, parking lots and garages, EATING OR DRINKING ESTABLISHMENTS,  
6 GIFT SHOPS, LODGING, and other supporting service structures; any  
7 equipment, furnishings, and appurtenances necessary or useful in the  
8 operation of a cultural institution; and the acquisition, preparation, and  
9 development of all real and personal property necessary or convenient as  
10 a site or sites for any such structure or facility. The term "facility" also  
11 includes buildings on the national register of historic places which are  
12 owned and OR operated by nonprofit OR GOVERNMENTAL entities,  
13 INCLUDING THE AUTHORITY.

14 **SECTION 3.** In Colorado Revised Statutes, 23-15-107, **amend**  
15 **(1) introductory portion, (1)(v), and (2); and add (1)(w) as follows:**

16 **23-15-107. General powers of the authority.** (1) In addition to  
17 any other powers granted to the authority by this article 15, the authority  
18 ~~shall have~~ HAS the following powers:

19 (v) To designate as Colorado education savings bonds or  
20 certificates the bonds or certificates of participation of issuers other than  
21 the authority if the issuer has applied for such designation and the  
22 authority has determined that such instruments satisfy the criteria  
23 established in section 23-15-110.5 (2); AND

24 (w) TO ESTABLISH AND ADMINISTER ONE OR MORE FUNDS FOR  
25 LOANS, REVOLVING LOANS, OR GRANTS TO SUPPORT CAPITAL PROJECTS  
26 FOR FACILITIES, AS WELL AS OPERATIONS, MAINTENANCE, PROGRAMMING  
27 AND OTHER ENDEAVORS, FOR CULTURAL INSTITUTIONS AND EDUCATIONAL

1 INSTITUTIONS FROM ANY SOURCES THAT MAY BE AVAILABLE TO THE  
2 AUTHORITY FOR ITS GENERAL PURPOSES, INCLUDING BUT NOT LIMITED TO  
3 NET FACILITY REVENUES, GRANTS, GIFTS, OR FEES.

4 (2) The authority shall not have HAS the power to operate a facility  
5 as a business, EITHER DIRECTLY OR INDIRECTLY THROUGH CONTRACTS FOR  
6 THE MANAGEMENT AND OPERATION OF A FACILITY, or other than as a  
7 lessee or lessor. IF THE AUTHORITY OPERATES A FACILITY, THE AUTHORITY  
8 MUST DIRECT ALL NET REVENUE FROM THE FACILITY TO THE PURPOSES SET  
9 FORTH IN THIS ARTICLE 15. IN ORDER TO ISOLATE OPERATING RISK ON A  
10 PROJECT-BY-PROJECT BASIS, THE AUTHORITY HAS THE POWER TO  
11 ESTABLISH, OR ADOPT A RESOLUTION APPROVING THE ESTABLISHMENT OF,  
12 ONE OR MORE SUBSIDIARY CONTROLLED ENTITIES. SUCH A CONTROLLED  
13 ENTITY ENJOYS AND IS ENTITLED TO THE SAME POWERS, PRIVILEGES, AND  
14 IMMUNITIES AS THE AUTHORITY SO LONG AS:

15 (a) THE CONTROLLED ENTITY IS A NONPROFIT CORPORATION,  
16 LIMITED LIABILITY COMPANY, LIMITED LIABILITY LIMITED PARTNERSHIP,  
17 OR OTHER ENTITY FORMED PURSUANT TO STATE LAW AND THE AUTHORITY  
18 IS THE SOLE MEMBER OR PARTNER OF THE ENTITY;

19 (b) THE AUTHORITY APPOINTS THE GOVERNING BODY OF OR AN  
20 AGENT TO OVERSEE THE CONTROLLED ENTITY AND MAY REMOVE A  
21 MEMBER OF THE GOVERNING BODY OR AGENT;

22 (c) ANY REVENUE OF THE CONTROLLED ENTITY THAT IS NOT  
23 REQUIRED TO PAY ITS EXPENSES AND OBLIGATIONS AND TO FUND  
24 RESERVES FOR SUCH EXPENSES AND OBLIGATIONS AND, UPON DISSOLUTION  
25 OF THE CONTROLLED ENTITY, ANY ASSETS OF THE CONTROLLED ENTITY  
26 NOT REQUIRED TO PAY ITS EXPENSES AND OBLIGATIONS MUST BE  
27 DISTRIBUTED TO OR AT THE DIRECTION OF THE AUTHORITY AND SHALL NOT

1 BE USED FOR OR ACCRUE TO THE BENEFIT OF ANY PRIVATE INTERESTS; AND

2 (d) THE AUTHORITY MAY LOAN PROCEEDS FROM BONDS ISSUED BY  
3 THE AUTHORITY TO THE CONTROLLED ENTITY.

4 **SECTION 4.** In Colorado Revised Statutes, 24-48.5-317, **amend**  
5 (2)(a)(V), (2)(a)(VI), (4) introductory portion, (8)(a), and (9); **repeal**  
6 (2)(b); and **add** (2)(a)(VII) as follows:

7 **24-48.5-317. Community revitalization grants - fund -**  
8 **reporting - compliance with federal requirements - legislative**  
9 **declaration - definitions - repeal.** (2) (a) The community revitalization  
10 grant program is hereby established in the division. The purpose of the  
11 grant program is to provide state assistance in the form of grant awards  
12 to finance various projects across the state that are intended to create or  
13 revitalize mixed-use commercial centers. The grant program is intended  
14 to support creative projects in these commercial centers that would  
15 combine revitalized or newly constructed commercial spaces with public  
16 or community spaces including but not limited to such projects as:

17 (V) The renovation or refurbishment of vacant or blighted  
18 property for creative industries, economic development, or historic  
19 preservation purposes; **and**

20 (VI) Child care centers; AND

21 (VII) PROJECTS THAT ARE ELIGIBLE FOR FUNDING UNDER THE  
22 SPACE TO CREATE COLORADO PROGRAM ADMINISTERED BY THE DIVISION.

23 (b) ~~All grants awarded under this section must be encumbered not~~  
24 ~~later than December 31, 2022.~~

25 (4) On or before ~~September 1, 2021~~, DECEMBER 1, 2024, the  
26 director of the division, in consultation with the director of the division  
27 of local government, or their designees, shall adopt policies, procedures,

1 and guidelines for the grant program that include without limitation:

2 (8) (a) On or before ~~November 1, 2022~~ NOVEMBER 1, 2024, and  
3 on or before ~~November 1, 2023~~ NOVEMBER 1, 2026, the division shall  
4 publish a report summarizing the use of all of the money that was  
5 awarded as grants under the grant program in the preceding fiscal year.  
6 At a minimum, the report shall specify the amount of grant money  
7 distributed to each grant recipient and a description of each grant  
8 recipient's use of the grant money. The report must be posted on the  
9 website of the office of economic development created in section  
10 24-48.5-101.

11 (9) This section ~~is~~ WILL BE repealed ~~effective January 1, 2025~~ IF  
12 ALL MONEY TRANSFERRED OR OTHERWISE CREDITED TO THE COMMUNITY  
13 REVITALIZATION FUND PURSUANT TO THIS SECTION IS EXPENDED. THE  
14 DIRECTOR OF THE DIVISION SHALL NOTIFY THE REVISOR OF STATUTES IN  
15 WRITING OF THE DATE WHEN THE CONDITION SPECIFIED IN THIS  
16 SUBSECTION (9) HAS OCCURRED BY E-MAILING THE NOTICE TO  
17 REVISOROFSTATUTES.GA@COLEG.GOV. THIS SECTION IS REPEALED,  
18 EFFECTIVE UPON THE DATE IDENTIFIED IN THE NOTICE THAT ALL MONEY  
19 TRANSFERRED OR OTHERWISE CREDITED TO THE COMMUNITY  
20 REVITALIZATION FUND PURSUANT TO THIS SECTION IS EXPENDED, OR, IF  
21 THE NOTICE DOES NOT SPECIFY THAT DATE, UPON THE DATE OF THE NOTICE  
22 TO THE REVISOR OF STATUTES.

23 **SECTION 5.** In Colorado Revised Statutes, 24-75-402, **amend**  
24 **(5)(ccc) and (5)(ddd); and add (5)(eee) as follows:**

25 **24-75-402. Cash funds - limit on uncommitted reserves -**  
26 **reduction in the amount of fees - exclusions - definitions.**

27 **(5) Notwithstanding any provision of this section to the contrary, the**



1 following cash funds are excluded from the limitations specified in this  
2 section:

3 (ccc) The wildfire resiliency code board cash fund created in  
4 section 24-33.5-1236 (8); and

5 (ddd) The closed landfill remediation grant program fund created  
6 in section 30-20-124 (8); AND

7 (eee) THE COMMUNITY REVITALIZATION TAX CREDIT PROGRAM  
8 CASH FUND CREATED IN SECTION 39-22-560 (13).

9 SECTION 6. In Colorado Revised Statutes, add 39-22-560 as  
10 follows:

11 **39-22-560. Community revitalization tax credit - community**  
12 **revitalization tax credit program cash fund - tax preference**  
13 **performance statement - legislative declaration - definitions - repeal.**

14 (1) **Tax preference performance statement.** IN ACCORDANCE WITH  
15 SECTION 39-21-304(1), WHICH REQUIRES EACH BILL THAT CREATES A NEW  
16 TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE  
17 STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE  
18 GENERAL ASSEMBLY FINDS AND DECLARES THAT:

19 (a) THE GENERAL LEGISLATIVE PURPOSES OF THE TAX CREDIT  
20 ALLOWED BY THIS SECTION ARE:

21 (I) TO INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS;  
22 AND

23 (II) TO PROVIDE TAX RELIEF FOR CERTAIN BUSINESSES OR  
24 INDIVIDUALS;

25 (b) THE SPECIFIC LEGISLATIVE PURPOSE OF THE TAX CREDIT  
26 ALLOWED BY THIS SECTION IS TO REVITALIZE COMMUNITIES BY PROVIDING  
27 FINANCIAL SUPPORT AND A FINANCIAL INCENTIVE FOR CAPITAL

1 IMPROVEMENT PROJECTS IN CREATIVE DISTRICTS THAT SUPPORT CREATIVE  
2 INDUSTRIES AND CREATIVE INDUSTRY WORKERS BY PROVIDING  
3 AFFORDABLE HOUSING AND LIVE-WORK SPACES FOR SUCH WORKERS AND  
4 OTHER MIXED-USE AND CREATIVE-USE SPACES FOR BOTH SUCH WORKERS  
5 AND THE GENERAL PUBLIC THAT ENJOYS AND BENEFITS FROM THEIR WORK.

6 (c) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL  
7 MEASURE THE EFFECTIVENESS OF THE TAX CREDIT IN ACHIEVING THE  
8 PURPOSES SPECIFIED IN SUBSECTIONS (2)(a) AND (2)(b) OF THIS SECTION  
9 BASED ON THE INFORMATION REQUIRED TO BE MAINTAINED BY AND  
10 REPORTED BY THE OFFICE PURSUANT TO SUBSECTION (11) OF THIS  
11 SECTION.

12 (2) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT  
13 OTHERWISE REQUIRES:

14 (a) "APPLICATION" MEANS AN APPLICATION IN THE FORM AND  
15 MANNER APPROVED BY THE OFFICE FOR THE CREDIT ALLOWED IN THIS  
16 SECTION THAT INCLUDES THE PROJECT PLAN AND ESTIMATED ELIGIBLE  
17 EXPENDITURES.

18 (b) "CREATIVE DISTRICT" HAS THE SAME MEANING AS SET FORTH  
19 IN SECTION 24-48.5-314 (2)(b).

20 (c) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

21 (d) "ELIGIBLE EXPENDITURES" MEANS REASONABLE AND  
22 NECESSARY EXPENDITURES, IN ACCORDANCE WITH GUIDELINES  
23 DEVELOPED BY THE OFFICE, ACTUALLY PAID BY A TAXPAYER IN  
24 COMPLETING AN ELIGIBLE PROJECT.

25 (e) "ELIGIBLE PROJECT" MEANS A CAPITAL IMPROVEMENT PROJECT  
26 UNDERTAKEN IN THE STATE WITHIN A CREATIVE DISTRICT, A HISTORIC  
27 DISTRICT, OR A NEIGHBORHOOD COMMERCIAL CENTER OR ON A MAIN

1 STREET THAT INVOLVES THE CONSTRUCTION, REHABILITATION,  
2 CONVERSION, REMODELING, OR OTHER IMPROVEMENT OF ONE OR MORE  
3 BUILDINGS, STRUCTURES, OR FACILITIES FOR USES THAT SUPPORT  
4 CREATIVE INDUSTRIES AND CREATIVE INDUSTRY WORKERS, INCLUDING  
5 AFFORDABLE HOUSING AND LIVE-WORK SPACES FOR SUCH WORKERS AND  
6 OTHER MIXED-USE, CREATIVE-USE, PERFORMANCE, AND EXHIBITION  
7 SPACES FOR SUCH WORKERS AND FOR THE GENERAL PUBLIC AND THAT IS  
8 APPROVED BY THE OFFICE IN ACCORDANCE WITH THE POLICIES,  
9 PROCEDURES, AND GUIDELINES FOR THE IMPLEMENTATION AND  
10 ADMINISTRATION OF THE TAX CREDIT ALLOWED BY THIS SECTION ADOPTED  
11 BY THE OFFICE PURSUANT TO SUBSECTION (12) OF THIS SECTION.

12 (f) "OFFICE" MEANS THE OFFICE OF ECONOMIC DEVELOPMENT.

13 (g) (I) "QUALIFIED APPLICANT" MEANS A PERSON THAT:

14 (A) HAS A CONTRACTUAL OR REAL PROPERTY INTEREST IN AN  
15 EXISTING OR PLANNED BUILDING, STRUCTURE, OR FACILITY THAT IS TO BE  
16 CONSTRUCTED, REHABILITATED, CONVERTED, REMODELED, OR OTHERWISE  
17 IMPROVED THROUGH THE COMPLETION OF AN ELIGIBLE PROJECT; AND

18 (B) MAKES ELIGIBLE EXPENDITURES;

19 (II) A QUALIFIED APPLICANT MAY BE A PERSON SUBJECT TO TAX  
20 PURSUANT TO THIS ARTICLE 22 OR A PERSON OR POLITICAL SUBDIVISION OF  
21 THE STATE THAT IS EXEMPT FROM SUCH TAXATION PURSUANT TO SECTION  
22 39-22-112 (1).

23 (3) **Credit allowed.** (a) FOR INCOME TAX YEARS COMMENCING ON  
24 OR AFTER JANUARY 1, 2026, BUT PRIOR TO JANUARY 1, 2033, A QUALIFIED  
25 APPLICANT IS ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED  
26 BY THIS ARTICLE 22 FOR PLACING AN ELIGIBLE PROJECT IN SERVICE IN AN  
27 AMOUNT SPECIFIED ON THE CREDIT CERTIFICATE ISSUED BY THE OFFICE

1 PURSUANT TO SUBSECTION (7) OF THIS SECTION.

2 (b) IN ORDER TO CLAIM THE CREDIT ALLOWED PURSUANT TO THIS  
3 SECTION, THE QUALIFIED APPLICANT MUST SUBMIT AN APPLICATION AS  
4 SPECIFIED IN SUBSECTION (4) OF THIS SECTION, PLACE THE ELIGIBLE  
5 PROJECT IN SERVICE PRIOR TO JANUARY 1, 2033, OBTAIN A TAX CREDIT  
6 CERTIFICATE FROM THE OFFICE AS SPECIFIED IN SUBSECTION (7) OF THIS  
7 SECTION, AND, ONCE ISSUED BY THE OFFICE, FILE THE TAX CREDIT  
8 CERTIFICATE WITH THE QUALIFIED APPLICANT'S INCOME TAX RETURN AS  
9 SPECIFIED IN SUBSECTION (8) OF THIS SECTION.

10 (4) **Application submission and review.** (a) AN APPLICANT MAY  
11 SUBMIT AN APPLICATION TO THE OFFICE ON OR AFTER JANUARY 1, 2025,  
12 BUT NO LATER THAN OCTOBER 3, 2029.

13 (b) THE OFFICE SHALL REVIEW ALL SUBMITTED APPLICATIONS TO:

14 (I) DETERMINE WHETHER THE APPLICANT IS A QUALIFIED  
15 APPLICANT;

16 (II) DETERMINE WHETHER THE APPLICATION IS COMPLETE AND  
17 INCLUDES A PROPERTY ADDRESS, LEGAL DESCRIPTION, OR OTHER SPECIFIC  
18 LOCATION IDENTIFIER;

19 (III) MAKE A PRELIMINARY DETERMINATION WHETHER THE  
20 PROJECT PLAN IS A PLAN FOR AN ELIGIBLE PROJECT BASED ON THE POLICIES  
21 AND PROCEDURES DEVELOPED BY THE OFFICE PURSUANT TO SUBSECTION  
22 (12) OF THIS SECTION;

23 (IV) DETERMINE WHETHER THE ELIGIBLE PROJECT IS ENTITLED TO  
24 A TAX CREDIT RESERVATION AS SPECIFIED IN SUBSECTION (6) OF THIS  
25 SECTION;

26 (V) ONCE THE ELIGIBLE PROJECT IS PLACED IN SERVICE, MAKE A  
27 FINAL DETERMINATION WHETHER THE PROJECT IS AN ELIGIBLE PROJECT

1       BASED ON THE POLICIES AND PROCEDURES DEVELOPED BY THE OFFICE  
2       PURSUANT TO SUBSECTION (12) OF THIS SECTION; AND

3               (VI) IF THE PROJECT IS AN ELIGIBLE PROJECT, REVIEW THE  
4       CERTIFIED ELIGIBLE EXPENDITURES AND, IF APPROVED, ISSUE A CREDIT  
5       CERTIFICATE TO THE QUALIFIED APPLICANT, AS SPECIFIED IN SUBSECTION  
6       (7) OF THIS SECTION.

7               (c) THE OFFICE SHALL MAKE THE DETERMINATIONS SPECIFIED IN  
8       SUBSECTIONS (4)(b)(I) TO (4)(b)(V) OF THIS SECTION WITHIN NINETY DAYS  
9       OF THE DATE THE OFFICE RECEIVES THE APPLICATION.

10              (d) (I) IF THE OFFICE DETERMINES THAT AN APPLICATION IS  
11       INCOMPLETE OR THAT IT IS UNABLE TO MAKE THE DETERMINATIONS  
12       SPECIFIED IN SUBSECTIONS (4)(b)(I) TO (4)(b)(V) OF THIS SECTION, THE  
13       OFFICE SHALL NOTIFY THE APPLICANT IN WRITING OF THE OFFICE'S  
14       DECISION AND SHALL REMOVE THE APPLICATION FROM THE REVIEW  
15       PROCESS.

16              (II) IF AN APPLICANT RESUBMITS AN APPLICATION, THE OFFICE MAY  
17       CHARGE A NEW APPLICATION FEE IN AN AMOUNT SPECIFIED IN SUBSECTION  
18       (5) OF THIS SECTION.

19              **(5) Application and issuance fees.** (a) (I) FOR AN APPLICATION  
20       FOR WHICH THE AMOUNT OF THE TAX CREDIT REQUESTED BY AN  
21       APPLICANT PURSUANT TO THIS SECTION IS TWO HUNDRED FIFTY THOUSAND  
22       DOLLARS OR MORE, THE OFFICE MAY IMPOSE A REASONABLE APPLICATION  
23       FEE ON AN APPLICANT THAT DOES NOT EXCEED FIVE HUNDRED DOLLARS.

24              (II) FOR AN APPLICATION FOR WHICH THE AMOUNT OF THE TAX  
25       CREDIT REQUESTED BY AN APPLICANT PURSUANT TO THIS SECTION IS LESS  
26       THAN TWO HUNDRED FIFTY THOUSAND DOLLARS, THE OFFICE MAY IMPOSE  
27       A REASONABLE APPLICATION FEE ON AN APPLICANT THAT DOES NOT

1 EXCEED TWO HUNDRED DOLLARS.

2 (b) THE OFFICE MAY IMPOSE ON A QUALIFIED APPLICANT A  
3 REASONABLE ISSUANCE FEE OF UP TO THREE PERCENT OF THE AMOUNT OF  
4 THE TAX CREDIT SPECIFIED ON THE TAX CREDIT CERTIFICATE ISSUED BY  
5 THE OFFICE AS SPECIFIED IN SUBSECTION (7) OF THIS SECTION, WHICH MUST  
6 BE PAID BEFORE THE TAX CREDIT CERTIFICATE IS ISSUED TO THE QUALIFIED  
7 APPLICANT.

8 (c) ANY FEE REVENUE COLLECTED PURSUANT TO THIS SUBSECTION  
9 (5) MUST BE CREDITED TO THE COMMUNITY REVITALIZATION TAX CREDIT  
10 PROGRAM CASH FUND CREATED IN SUBSECTION (13) OF THIS SECTION AND  
11 APPLIED TO THE ADMINISTRATION OF THE TAX CREDIT CREATED BY THIS  
12 SECTION.

13 (6) **Tax credit reservation.** (a) BASED ON THE FACTORS SPECIFIED  
14 IN SUBSECTION (6)(d) OF THIS SECTION, THE OFFICE MAY DETERMINE THAT  
15 A QUALIFIED APPLICANT IS ENTITLED TO A TAX CREDIT RESERVATION IN  
16 ACCORDANCE WITH THE PROVISIONS OF THIS SECTION. THE OFFICE SHALL  
17 ISSUE TAX CREDIT RESERVATIONS SUBJECT TO THE LIMITATIONS SET FORTH  
18 IN THIS SUBSECTION (6) AND IN ACCORDANCE WITH THE POLICIES AND  
19 PROCEDURES ESTABLISHED PURSUANT TO SUBSECTION (12) OF THIS  
20 SECTION. THE OFFICE SHALL NOT ISSUE TAX CREDIT RESERVATIONS AFTER  
21 JANUARY 1, 2030.

22 (b) IF THE OFFICE RESERVES A TAX CREDIT FOR THE BENEFIT OF A  
23 QUALIFIED APPLICANT, THE OFFICE SHALL NOTIFY THE QUALIFIED  
24 APPLICANT IN WRITING OF THE RESERVATION AND THE AMOUNT RESERVED.  
25 THE RESERVATION OF A TAX CREDIT BY THE OFFICE FOR A QUALIFIED  
26 APPLICANT DOES NOT ENTITLE THE QUALIFIED APPLICANT TO ISSUANCE OF  
27 A CREDIT CERTIFICATE UNTIL THE QUALIFIED APPLICANT COMPLIES WITH

1 ALL THE OTHER REQUIREMENTS SPECIFIED IN THIS SECTION FOR THE  
2 ISSUANCE OF THE TAX CREDIT. WHEN THE OFFICE APPROVES A TAX CREDIT  
3 RESERVATION, THE OFFICE MAY ALSO IMPOSE ADDITIONAL REQUIREMENTS,  
4 WHICH A QUALIFIED APPLICANT SHALL SATISFY AS PART OF COMPLETING  
5 THE ELIGIBLE PROJECT, BEFORE A TAX CREDIT CERTIFICATE IS ISSUED TO  
6 THE QUALIFIED APPLICANT.

7 (c) (I) SUBJECT TO THE LIMITATIONS IN THIS SUBSECTION (6)(c), IF  
8 APPROVED, THE OFFICE MAY ISSUE A TAX CREDIT RESERVATION TO A  
9 QUALIFIED APPLICANT FOR A SINGLE ELIGIBLE PROJECT IN AN AMOUNT  
10 EQUAL TO THE LESSER OF TWENTY-FIVE PERCENT OF THE QUALIFIED  
11 APPLICANT'S ESTIMATED ELIGIBLE EXPENDITURES OR THREE MILLION  
12 DOLLARS.

13 (II) EXCEPT AS PROVIDED IN SUBSECTIONS (6)(c)(III) AND  
14 (6)(c)(IV) OF THIS SECTION, THE AGGREGATE AMOUNT OF ALL TAX CREDIT  
15 RESERVATIONS THAT THE OFFICE MAY ISSUE PURSUANT TO THIS SECTION  
16 MUST NOT EXCEED TEN MILLION DOLLARS IN ANY CALENDAR YEAR PLUS  
17 THE AMOUNT OF ANY PREVIOUSLY ISSUED TAX CREDIT RESERVATIONS  
18 THAT WERE RESCINDED PURSUANT TO SUBSECTION (7)(a)(II) OF THIS  
19 SECTION FROM PREVIOUS CALENDAR YEARS.

20 (III) IF THE OFFICE'S ISSUANCE OF A TAX CREDIT RESERVATION IN  
21 A CALENDAR YEAR WOULD CAUSE THE OFFICE TO EXCEED THE AGGREGATE  
22 LIMIT SPECIFIED IN SUBSECTION (6)(c)(II) OF THIS SECTION FOR THAT  
23 CALENDAR YEAR, THEN THE AGGREGATE AMOUNT OF ALL TAX CREDIT  
24 RESERVATIONS THAT THE OFFICE MAY ISSUE IN THE FOLLOWING CALENDAR  
25 YEAR IS DECREASED BY THE AMOUNT OF THE TAX CREDIT RESERVATIONS  
26 ISSUED IN THE PREVIOUS CALENDAR YEAR THAT EXCEEDED THE  
27 LIMITATION SET FORTH IN SUBSECTION (6)(c)(II) OF THIS SECTION.

1 (IV) IF THE OFFICE'S ISSUANCE OF TAX CREDIT RESERVATIONS BY  
2 THE END OF A CALENDAR YEAR IS LESS THAN THE AGGREGATE LIMIT  
3 SPECIFIED IN SUBSECTION (6)(c)(II) OF THIS SECTION FOR THAT CALENDAR  
4 YEAR, THEN THE AGGREGATE AMOUNT OF TAX CREDIT RESERVATIONS  
5 THAT THE OFFICE MAY ISSUE IN THE NEXT CALENDAR YEAR IS INCREASED  
6 BY THE UNRESERVED AMOUNT FROM THE PREVIOUS CALENDAR YEAR.

7 (d) IN MAKING THE FINAL DETERMINATION OF WHICH PROJECT  
8 PLANS TO ISSUE TAX RESERVATIONS FOR PURSUANT TO THIS SUBSECTION  
9 (6), THE OFFICE MAY PRIORITIZE ELIGIBLE PROJECT PLANS IN ACCORDANCE  
10 WITH:

11 (I) THE NUMBER OF NEW AFFORDABLE HOUSING UNITS TO BE  
12 CREATED BY THE ELIGIBLE PROJECT;

13 (II) THE NUMBER OF LIVE-WORK SPACES TO BE CREATED BY THE  
14 ELIGIBLE PROJECT;

15 (III) THE GEOGRAPHIC DIVERSITY OF THE APPLICATIONS AND  
16 PROJECT PLANS THAT QUALIFIED APPLICANTS HAVE SUBMITTED TO THE  
17 OFFICE;

18 (IV) THE QUALITY AND ACCESSIBILITY OF MAKERSPACE TO BE  
19 PROVIDED FOR CREATIVE INDUSTRY WORKERS BY THE ELIGIBLE PROJECT;

20 (V) DEMONSTRATION OF COMMUNITY ENGAGEMENT IN  
21 IDENTIFYING HOW THE PROJECT WILL SATISFY UNMET NEEDS AND DRIVE  
22 THE LOCAL CREATIVE ECONOMY;

23 (VI) DEMONSTRATION OF STRONG EVIDENCE THAT THE ELIGIBLE  
24 PROJECT HAS OR CAN ATTRACT DIVERSE SOURCES OF FUNDING AND BROAD  
25 LOCAL GOVERNMENT SUPPORT;

26 (VII) DEMONSTRATION OF HOW THE PROJECT SERVES RURAL,  
27 UNDER-RESOURCED, OR UNDERSERVED COMMUNITIES;



1 (VIII) WHETHER THE PROJECT PLAN IS RECEIVING PROPERTY TAX  
2 ABATEMENTS, CREDITS, REBATES, GRANTS, OR OTHER INCENTIVES FROM  
3 A LOCAL TAXING JURISDICTION;

4 (IX) WHETHER THE PROJECT WILL OCCUR WITHOUT THE ISSUANCE  
5 OF A TAX CREDIT PURSUANT TO THIS SECTION;

6 (X) WHETHER THE QUALIFIED APPLICANT WILL RECEIVE A  
7 FEDERAL INCENTIVE FOR THE PROJECT;

8 (XI) THE PROXIMITY OF THE PROJECT TO PUBLIC TRANSPORTATION;  
9 AND

10 (XII) THE EXPECTED QUALIFICATION OF THE BUILDING,  
11 STRUCTURE, OR FACILITY THAT IS THE SUBJECT OF THE ELIGIBLE PROJECT  
12 FOR A CERTIFIABLE SUSTAINABLE PROGRAM BOTH BEFORE AND AFTER THE  
13 COMPLETION OF THE PROJECT.

14 (7) **Deadline for incurring specified amount of estimated**  
15 **eligible expenditures - proof of compliance - audit of eligible**  
16 **expenditure certification - issuance of tax credit certificate.** (a) (I) A  
17 QUALIFIED APPLICANT RECEIVING A RESERVATION OF TAX CREDITS  
18 PURSUANT TO SUBSECTION (6) OF THIS SECTION SHALL INCUR TWENTY  
19 PERCENT OR MORE OF THE ESTIMATED ELIGIBLE EXPENDITURES  
20 CONTAINED IN THE APPLICATION AND PROJECT PLAN NOT LATER THAN  
21 EIGHTEEN MONTHS AFTER THE DATE OF ISSUANCE OF THE WRITTEN NOTICE  
22 FROM THE OFFICE TO THE QUALIFIED APPLICANT GRANTING THE  
23 RESERVATION OF A TAX CREDIT.

24 (II) A QUALIFIED APPLICANT FOR WHOM THE OFFICE HAS RESERVED  
25 A TAX CREDIT SHALL SUBMIT EVIDENCE OF COMPLIANCE WITH THE  
26 PROVISIONS OF SUBSECTION (7)(a)(I) OF THIS SECTION. IF THE OFFICE  
27 DETERMINES THAT A QUALIFIED APPLICANT HAS FAILED TO COMPLY WITH

1 THE REQUIREMENTS OF SUBSECTION (7)(a)(I) OF THIS SECTION, THE OFFICE  
2 SHALL PROMPTLY NOTIFY THE QUALIFIED APPLICANT AND MAY RESCIND  
3 THE ISSUANCE OF THE WRITTEN NOTICE IT PREVIOUSLY GAVE THE  
4 QUALIFIED APPLICANT GRANTING THE RESERVATION OF A TAX CREDIT. IF  
5 THE OFFICE SO RESCINDS AN ISSUANCE OF THE WRITTEN NOTICE, THE  
6 QUALIFIED APPLICANT MAY SUBMIT A NEW APPLICATION, PROJECT PLAN,  
7 AND ESTIMATE OF ELIGIBLE EXPENDITURES FOR WHICH THE OFFICE MAY  
8 CHARGE A NEW APPLICATION FEE IN ACCORDANCE WITH SUBSECTION (5)  
9 OF THIS SECTION, AND THE TOTAL AMOUNT OF TAX CREDITS MADE  
10 AVAILABLE FOR RESERVATION IN THE CALENDAR YEAR DURING WHICH THE  
11 OFFICE RESCINDS THE ISSUANCE OF WRITTEN NOTICE MUST INCREASE BY  
12 THE AMOUNT OF THE TAX CREDIT RESERVED IN THE WRITTEN NOTICE.

13 (b) AFTER A QUALIFIED APPLICANT COMPLETES A PROJECT, THE  
14 QUALIFIED APPLICANT SHALL NOTIFY THE OFFICE THAT THE PROJECT HAS  
15 BEEN PLACED IN SERVICE AND SHALL CERTIFY THE ELIGIBLE  
16 EXPENDITURES, AFTER WHICH THE OFFICE SHALL MAKE A FINAL  
17 DETERMINATION WHETHER THE PROJECT IS AN ELIGIBLE PROJECT AS  
18 REQUIRED IN SUBSECTION (4)(b)(V) OF THIS SECTION. THE APPLICANT  
19 SHALL INCLUDE A REVIEW OF THE CERTIFICATION BY A LICENSED  
20 CERTIFIED PUBLIC ACCOUNTANT THAT IS NOT AFFILIATED WITH THE  
21 QUALIFIED APPLICANT THAT ALIGNS WITH OFFICE POLICIES FOR  
22 CERTIFICATION OF ELIGIBLE EXPENDITURES. THE APPLICANT SHALL ALSO  
23 CERTIFY AND PROVIDE DOCUMENTS DEMONSTRATING THAT THE  
24 APPLICANT SATISFIED ANY ADDITIONAL REQUIREMENTS IMPOSED BY THE  
25 OFFICE PURSUANT TO SUBSECTION (6) OF THIS SECTION. WITHIN NINETY  
26 DAYS AFTER RECEIPT OF SUCH DOCUMENTATION FROM THE QUALIFIED  
27 APPLICANT, THE OFFICE SHALL REVIEW THE QUALIFIED APPLICANT'S

1 DOCUMENTATION OF CERTIFIED ELIGIBLE EXPENDITURES, DETERMINE  
2 WHETHER THE DOCUMENTATION SATISFIES THE PROJECT PLAN AND OTHER  
3 REQUIREMENTS, AND, IF THE OFFICE DETERMINES THAT THE  
4 DOCUMENTATION SATISFIES THE PROJECT PLAN AND OTHER  
5 REQUIREMENTS, THE OFFICE SHALL ISSUE A TAX CREDIT CERTIFICATE IN  
6 THE AMOUNT SPECIFIED IN THE TAX CREDIT RESERVATION ISSUED TO THE  
7 QUALIFIED APPLICANT PURSUANT TO SUBSECTION (6) OF THIS SECTION;  
8 EXCEPT THAT A CREDIT CERTIFICATE MAY NOT BE ISSUED FOR ANY INCOME  
9 TAX YEAR COMMENCING BEFORE JANUARY 1, 2026.

10 (c) IF THERE ARE ANY UNRESERVED AMOUNTS OF TAX CREDITS  
11 AVAILABLE UNDER SUBSECTION (6) OF THIS SECTION, AND IF THE AMOUNT  
12 OF CERTIFIED ELIGIBLE EXPENDITURES INCURRED BY THE QUALIFIED  
13 APPLICANT WOULD HAVE RESULTED IN THE QUALIFIED APPLICANT BEING  
14 ISSUED A TAX CREDIT CERTIFICATE THAT EXCEEDS THE AMOUNT OF THE  
15 TAX CREDIT RESERVATION ISSUED TO THE QUALIFIED APPLICANT, THE  
16 QUALIFIED APPLICANT MAY APPLY TO THE OFFICE FOR THE ISSUANCE OF AN  
17 ADDITIONAL TAX CREDIT CERTIFICATE IN AN AMOUNT EQUAL TO THE  
18 DIFFERENCE BETWEEN THE TAX CREDIT RESERVATION AND WHAT WOULD  
19 HAVE BEEN ISSUED AS A RESULT OF THE CERTIFIED ELIGIBLE  
20 EXPENDITURES BY SUBMITTING AN APPLICATION IN A FORM AND MANNER  
21 DETERMINED BY THE OFFICE; EXCEPT THAT THE AGGREGATE OF THE TWO  
22 TAX CREDIT CERTIFICATES FOR THE ELIGIBLE PROJECT MAY NOT EXCEED  
23 THREE MILLION DOLLARS. THE OFFICE SHALL REVIEW THE APPLICATION AS  
24 SPECIFIED IN SUBSECTION (4) OF THIS SECTION AND, IF APPROVED, SHALL  
25 ISSUE A SEPARATE TAX CREDIT CERTIFICATE AWARDING THE QUALIFIED  
26 APPLICANT THE ADDITIONAL CREDIT.

27 (8) **Filing tax credit certificate with income tax return.** (a) IN

1 ORDER TO CLAIM THE CREDIT AUTHORIZED BY THIS SECTION, A QUALIFIED  
2 APPLICANT SHALL FILE THE TAX CREDIT CERTIFICATE ISSUED BY THE  
3 OFFICE PURSUANT TO SUBSECTION (7) OF THIS SECTION WITH THE  
4 QUALIFIED APPLICANT'S STATE INCOME TAX RETURN. IF THE QUALIFIED  
5 APPLICANT IS EXEMPT FROM TAX PURSUANT TO SECTION 39-22-112 (1),  
6 THE QUALIFIED APPLICANT SHALL FILE A RETURN PURSUANT TO SECTION  
7 39-22-601 (7)(b). THE AMOUNT OF THE TAX CREDIT THAT A QUALIFIED  
8 APPLICANT MAY CLAIM PURSUANT TO THIS SECTION IS THE AMOUNT  
9 STATED ON THE TAX CREDIT CERTIFICATE.

10 (b) A TAX CREDIT CERTIFICATE ISSUED TO A PARTNERSHIP, A  
11 LIMITED LIABILITY COMPANY TAXED AS A PARTNERSHIP, OR MULTIPLE  
12 OWNERS OF A PROPERTY MUST BE PASSED THROUGH TO THE PARTNERS,  
13 MEMBERS, OR OWNERS, INCLUDING ANY NONPROFIT ENTITY THAT IS A  
14 PARTNER, MEMBER, OR OWNER, RESPECTIVELY, ON A PRO RATA BASIS OR  
15 PURSUANT TO AN EXECUTED AGREEMENT AMONG THE PARTNERS,  
16 MEMBERS, OR OWNERS DOCUMENTING AN ALTERNATE DISTRIBUTION  
17 METHOD.

18 (9) **Refundability.** THE ENTIRE TAX CREDIT TO BE ISSUED  
19 PURSUANT TO THIS SECTION MAY BE CLAIMED BY THE QUALIFIED  
20 APPLICANT IN THE TAXABLE YEAR IN WHICH THE ELIGIBLE PROJECT IS  
21 PLACED IN SERVICE. IF THE AMOUNT OF THE CREDIT ALLOWED PURSUANT  
22 TO THIS SECTION EXCEEDS THE AMOUNT OF INCOME TAXES OTHERWISE  
23 DUE ON THE INCOME OF THE QUALIFIED APPLICANT IN THE INCOME TAX  
24 YEAR FOR WHICH THE CREDIT IS BEING CLAIMED, OR THE QUALIFIED  
25 APPLICANT IS A PERSON WHO IS EXEMPT FROM TAXATION PURSUANT TO  
26 SECTION 39-22-112 (1), NINETY PERCENT OF THE AMOUNT OF THE CREDIT  
27 NOT USED AS AN OFFSET AGAINST INCOME TAXES IN THE INCOME TAX YEAR

1 IS REFUNDED TO THE QUALIFIED APPLICANT. THE REMAINDER OF THE  
2 CREDIT IS NOT CARRIED FORWARD AND MAY NOT BE USED BY THE  
3 TAXPAYER.

4 (10) **Compliance monitoring and recapture.** (a) EXCEPT AS  
5 PROVIDED IN SUBSECTION (10)(b) OF THIS SECTION, IF, AS OF THE LAST  
6 DAY OF ANY TAXABLE YEAR DURING THE COMPLIANCE PERIOD, THE  
7 BUILDING, STRUCTURE, OR FACILITY THAT IS THE SUBJECT OF AN ELIGIBLE  
8 PROJECT IS NOT BEING USED AS AN ELIGIBLE PROJECT, THE OFFICE SHALL  
9 NOTIFY THE QUALIFIED APPLICANT AND THE DEPARTMENT THAT THE  
10 CREDIT ALLOWED IN THIS SECTION IS DISALLOWED. THE QUALIFIED  
11 APPLICANT SHALL ADD THE FULL AMOUNT OF THE CREDIT THAT WAS  
12 ACTUALLY USED TO OFFSET THE QUALIFIED APPLICANT'S INCOME TAX OR  
13 REFUNDED TO THE QUALIFIED APPLICANT TO ITS RETURN AS A  
14 RECAPTURED CREDIT FOR THE TAXABLE YEAR IN WHICH THE CREDIT IS  
15 DISALLOWED PURSUANT TO THIS SUBSECTION (10).

16 (b) THE POTENTIAL INCREASE IN TAX REQUIRED PURSUANT TO  
17 SUBSECTION (10)(a) OF THIS SECTION DOES NOT APPLY:

18 (I) IF A BUILDING, STRUCTURE, OR FACILITY IS NOT AN ELIGIBLE  
19 PROJECT AS A RESULT OF A CASUALTY LOSS IF THE LOSS IS RESTORED BY  
20 RECONSTRUCTION OR REPLACEMENT WITHIN A REASONABLE PERIOD  
21 ESTABLISHED BY THE OFFICE; OR

22 (II) SOLELY BY REASON OF THE DISPOSITION OF A BUILDING,  
23 STRUCTURE, OR FACILITY, OR AN INTEREST THEREIN, IF IT IS REASONABLY  
24 EXPECTED THAT THE BUILDING, STRUCTURE, OR FACILITY WILL CONTINUE  
25 TO BE OPERATED AS AN ELIGIBLE PROJECT FOR THE REMAINDER OF THE  
26 COMPLIANCE PERIOD.

27 (c) (I) THE OFFICE SHALL ESTABLISH REPORTING REQUIREMENTS

1 TO MONITOR COMPLIANCE WITH THIS SUBSECTION (10), INCLUDING  
2 REQUIREMENTS REGARDING THE REPORTING OF A DISPOSITION OF A  
3 BUILDING, STRUCTURE, OR FACILITY BY THE QUALIFIED APPLICANT AND  
4 THE REPORTING REQUIRED FOR SUCH A BUILDING, STRUCTURE, OR  
5 FACILITY FOR THE REMAINDER OF THE COMPLIANCE PERIOD.

6 (II) IF A DISPUTE ARISES ABOUT WHETHER A BUILDING,  
7 STRUCTURE, OR FACILITY IS AN ELIGIBLE PROJECT, THE OFFICE SHALL  
8 ADJUDICATE THE DISPUTE AND NOTIFY THE DEPARTMENT OF THE  
9 RESOLUTION.

10 (III) NOTWITHSTANDING SECTION 39-21-107 (2), IF A BUILDING,  
11 STRUCTURE, OR FACILITY, OR AN INTEREST THEREIN, IS DISPOSED OF  
12 DURING ANY TAXABLE YEAR DURING THE COMPLIANCE PERIOD, AND  
13 THEREAFTER THE BUILDING, STRUCTURE, OR FACILITY IS NOT AN ELIGIBLE  
14 PROJECT:

15 (A) THE QUALIFIED APPLICANT SHALL ADD THE FULL AMOUNT OF  
16 THE CREDIT TO ITS RETURN AS A RECAPTURED CREDIT FOR THE TAXABLE  
17 YEAR IN WHICH THE CREDIT IS DISALLOWED PURSUANT TO THIS  
18 SUBSECTION (10) NOTWITHSTANDING THE DISPOSITION OF THE QUALIFIED  
19 RESIDENTIAL STRUCTURE;

20 (B) THE STATUTORY PERIOD FOR THE ASSESSMENT OF ANY  
21 DEFICIENCY WITH RESPECT TO THE DISALLOWED CREDIT MUST NOT EXPIRE  
22 BEFORE THE EXPIRATION OF THREE YEARS FROM THE DATE THE OFFICE IS  
23 NOTIFIED, IN SUCH A MANNER AS THE OFFICE DETERMINES, THAT THE  
24 STRUCTURE IS NOT A QUALIFIED RESIDENTIAL STRUCTURE; AND

25 (C) THE DEPARTMENT SHALL ASSESS ANY DEFICIENCY BEFORE THE  
26 EXPIRATION OF SUCH THREE-YEAR PERIOD TOGETHER WITH ANY  
27 APPLICABLE INTEREST AND PENALTY IMPOSED PURSUANT TO THIS ARTICLE

1 22.

2 (d) AS USED IN THIS SUBSECTION (10), UNLESS THE CONTEXT  
3 OTHERWISE REQUIRES, "COMPLIANCE PERIOD" MEANS THE PERIOD OF  
4 FIFTEEN YEARS FOLLOWING THE TAXABLE YEAR IN WHICH THE QUALIFIED  
5 APPLICANT PLACED THE ELIGIBLE PROJECT IN SERVICE.

6 (11) **Reporting.** (a) NO LATER THAN DECEMBER 31, 2027, AND,  
7 NOTWITHSTANDING THE REQUIREMENT IN SECTION 24-1-136 (11)(a)(I), NO  
8 LATER THAN DECEMBER 31 OF EACH YEAR THEREAFTER THROUGH 2033,  
9 THE OFFICE SHALL PROVIDE A WRITTEN REPORT TO THE GENERAL  
10 ASSEMBLY AND SHALL FURTHER MAKE THE REPORT AVAILABLE TO THE  
11 PUBLIC. IN CONNECTION WITH TAX CREDITS ISSUED PURSUANT TO THIS  
12 SECTION, THE REPORT MUST INCLUDE:

13 (I) THE NUMBER OF ELIGIBLE PROJECTS PLACED IN SERVICE;

14 (II) A DESCRIPTION OF THE USE OR USES OF EACH ELIGIBLE  
15 PROJECT AND A STATEWIDE SUMMARY OF THE NUMBER OF ELIGIBLE  
16 PROJECTS FOR EACH USE;

17 (III) FOR ELIGIBLE PROJECTS THAT CREATE AFFORDABLE HOUSING  
18 OR LIVE-WORK SPACES FOR CREATIVE INDUSTRY WORKERS, THE NUMBER  
19 OF AFFORDABLE HOUSING OR LIVE-WORK UNITS PLANNED OR CREATED;

20 (IV) THE OCCUPANCY RATE OF CREATED AFFORDABLE HOUSING  
21 AND LIVE-WORK UNITS;

22 (V) THE COUNTIES IN WHICH QUALIFIED COMMERCIAL STRUCTURES  
23 WERE CONVERTED TO QUALIFIED COMMERCIAL RESIDENTIAL STRUCTURES;

24 AND

25 (VI) THE AMOUNT OF ANY DISALLOWED TAX CREDIT RECAPTURED  
26 PURSUANT TO SUBSECTION (10) OF THIS SECTION.

27 (b) THE OFFICE SHALL, IN A SUFFICIENTLY TIMELY MANNER TO

1 ALLOW THE DEPARTMENT TO PROCESS RETURNS CLAIMING THE INCOME  
2 TAX CREDIT ALLOWED IN THIS SECTION, PROVIDE THE DEPARTMENT WITH  
3 AN ELECTRONIC REPORT OF EACH QUALIFIED APPLICANT TO WHICH THE  
4 OFFICE ISSUES A TAX CREDIT CERTIFICATE FOR THE PRECEDING TAX YEAR  
5 THAT INCLUDES THE FOLLOWING INFORMATION:

- 6 (I) THE QUALIFIED APPLICANT'S NAME;
- 7 (II) THE AMOUNT OF THE CREDIT; AND
- 8 (III) THE QUALIFIED APPLICANT'S SOCIAL SECURITY NUMBER OR  
9 THE QUALIFIED APPLICANT'S COLORADO ACCOUNT NUMBER AND FEDERAL  
10 EMPLOYER IDENTIFICATION NUMBER.

11 (12) **Policies and procedures.** (a) THE OFFICE MAY CREATE AND  
12 MODIFY POLICIES, PROCEDURES, AND GUIDELINES AS NECESSARY TO  
13 FURTHER IMPLEMENT THE TAX CREDITS TO BE CLAIMED FOR THE  
14 COMPLETION OF ELIGIBLE PROJECTS PURSUANT TO THIS SECTION AND  
15 SHALL SOLICIT ADVICE FROM THE DEPARTMENT IN CREATING AND  
16 MODIFYING SUCH POLICIES, PROCEDURES, AND GUIDELINES.

17 (b) WITH RESPECT TO MAKING THE PRELIMINARY DETERMINATION  
18 WHETHER A PROJECT PLAN IS A PLAN FOR AN ELIGIBLE PROJECT PURSUANT  
19 TO SUBSECTION (4)(b)(III) OF THIS SECTION, THE OFFICE SHALL DEVELOP  
20 STANDARDS THAT INCLUDE, BUT ARE NOT LIMITED TO:

- 21 (I) A DETAILED COST ESTIMATE FOR THE PROJECT PLAN;
- 22 (II) EVIDENCE OF SITE CONTROL OF THE SITE WHERE THE PROJECT  
23 WILL OCCUR; AND
- 24 (III) THE FINANCING OR FUNDING THAT IS AVAILABLE FOR THE  
25 PROJECT PLAN.

26 (13) **Community revitalization tax credit program cash fund.**

27 (a) THE COMMUNITY REVITALIZATION TAX CREDIT PROGRAM CASH FUND



1 IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF GIFTS,  
2 GRANTS, DONATIONS, FEE REVENUE CREDITED TO THE FUND PURSUANT TO  
3 SUBSECTION (5) OF THIS SECTION, AND ANY OTHER MONEY THAT THE  
4 GENERAL ASSEMBLY MAY APPROPRIATE, TRANSFER, OR REQUIRE BY LAW  
5 TO BE CREDITED TO THE FUND.

6 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND  
7 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE  
8 COMMUNITY REVITALIZATION TAX CREDIT PROGRAM CASH FUND TO THE  
9 FUND.

10 (c) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE  
11 OFFICE FOR THE PURPOSE OF ADMINISTERING THE TAX CREDIT ISSUED  
12 PURSUANT TO THIS SECTION.

13 (d) THE STATE TREASURER SHALL TRANSFER ALL UNEXPENDED  
14 AND UNENCUMBERED MONEY IN THE FUND ON DECEMBER 31, 2050, TO  
15 THE GENERAL FUND.

16 (14) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE DECEMBER  
17 31, 2050.

18 **SECTION 7. Appropriation.** For the 2024-25 state fiscal year,  
19 \$102,498 is appropriated to the office of the governor for use by  
20 economic development programs. This appropriation is from the general  
21 fund and is based on an assumption that the office will require an  
22 additional 0.8 FTE. To implement this act, the office may use this  
23 appropriation for the council on creative industries.

24 **SECTION 8. Safety clause.** The general assembly finds,  
25 determines, and declares that this act is necessary for the immediate  
26 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.