

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 24-1128.01 Caroline Martin x5902

HOUSE BILL 24-1434

HOUSE SPONSORSHIP

Bird and Weinberg,

SENATE SPONSORSHIP

Zenzinger and Simpson,

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AN EXPANSION TO THE AFFORDABLE HOUSING TAX**
102 **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>.)

The bill expands the affordable housing tax credit by increasing the credit amounts that the Colorado housing and finance authority (authority) may allocate to qualified taxpayers by the following amounts:

- \$20,000,000 for credits allocated in 2024;
- \$20,000,000 for credits allocated in 2025;
- \$20,000,000 for credits allocated in 2026;

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
Amended 2nd Reading
April 30, 2024

- \$16,000,000 for credits allocated in 2027;
- \$16,000,000 for credits allocated in 2028;
- \$16,000,000 for credits allocated in 2029;
- \$10,000,000 for credits allocated in 2030; and
- \$10,000,000 for credits allocated in 2031.

The bill also accelerates the credit by requiring that a qualified taxpayer claim 70% of the total amount of the credit awarded by the authority in the first year of the credit period and claim 6% of the total amount of the credit awarded by the authority in each of the second through sixth years of the credit period.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-2102, **repeal**
 3 **(2)(b); and add (7)(a.7) and (7.5) as follows:**

4 **39-22-2102. Credit against tax - affordable housing**
 5 **developments - legislative declaration.** (2) The authority may allocate
 6 a credit to an owner of a qualified development by issuing to the owner
 7 an allocation certificate. The authority may determine the time at which
 8 such allocation certificate is issued. The credit shall be in an amount
 9 determined by the authority, subject to the following guidelines:

10 (b) ~~In no event shall a credit exceed thirty percent of the qualified~~
 11 ~~basis of the qualified development;~~

12 (7) During each calendar year of the period beginning January 1,
 13 2015, and ending December 31, 2031, the authority may allocate a credit,
 14 the full amount of which may be claimed against the taxes imposed by
 15 this article 22 for each taxable year of the six-year credit period. The
 16 aggregate amount of all credits allocated by the authority in each calendar
 17 year of the period beginning January 1, 2015, and ending December 31,
 18 2031, shall not exceed the amount of:

19 (a.7) IN ADDITION TO THE AMOUNTS DESCRIBED IN SUBSECTION
 20 (7)(a.5) OF THIS SECTION:

1 (I) TWENTY MILLION DOLLARS FOR CREDITS ALLOCATED IN
2 CALENDAR YEAR 2024, PURSUANT TO SUBSECTION (1) OF THIS SECTION
3 AND SECTION 39-22-2105 COMBINED;

4 (II) TWENTY MILLION DOLLARS FOR CREDITS ALLOCATED IN
5 CALENDAR YEAR 2025, PURSUANT TO SUBSECTION (1) OF THIS SECTION
6 AND SECTION 39-22-2105 COMBINED;

7 (III) TWENTY MILLION DOLLARS FOR CREDITS ALLOCATED IN
8 CALENDAR YEAR 2026, PURSUANT TO SUBSECTION (1) OF THIS SECTION
9 AND SECTION 39-22-2105 COMBINED;

10 (IV) SIXTEEN MILLION DOLLARS FOR CREDITS ALLOCATED IN
11 CALENDAR YEAR 2027, PURSUANT TO SUBSECTION (1) OF THIS SECTION
12 AND SECTION 39-22-2105 COMBINED;

13 (V) SIXTEEN MILLION DOLLARS FOR CREDITS ALLOCATED IN
14 CALENDAR YEAR 2028, PURSUANT TO SUBSECTION (1) OF THIS SECTION
15 AND SECTION 39-22-2105 COMBINED;

16 (VI) SIXTEEN MILLION DOLLARS FOR CREDITS ALLOCATED IN
17 CALENDAR YEAR 2029, PURSUANT TO SUBSECTION (1) OF THIS SECTION
18 AND SECTION 39-22-2105 COMBINED;

19 (VII) TEN MILLION DOLLARS FOR CREDITS ALLOCATED IN
20 CALENDAR YEAR 2030, PURSUANT TO SUBSECTION (1) OF THIS SECTION
21 AND SECTION 39-22-2105 COMBINED; AND

22 (VIII) TEN MILLION DOLLARS FOR CREDITS ALLOCATED IN
23 CALENDAR YEAR 2031, PURSUANT TO SUBSECTION (1) OF THIS SECTION
24 AND SECTION 39-22-2105 COMBINED;

25 (7.5) A QUALIFIED TAXPAYER SHALL NOT CLAIM A CREDIT
26 ALLOCATED AS PART OF THE CREDITS AVAILABLE PURSUANT TO
27 SUBSECTION (7)(a.7) OF THIS SECTION RATABLY OVER THE CREDIT PERIOD.

1 INSTEAD, SUCH A CREDIT MUST BE ACCELERATED AND THE FULL AMOUNT
2 MUST BE CLAIMED AGAINST THE TAXES IMPOSED BY THIS ARTICLE 22 OVER
3 THE CREDIT PERIOD ACCORDING TO THE FOLLOWING SCHEDULE:

4 (a) THE AMOUNT OF THE CREDIT ALLOCATED AS PART OF THE
5 CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION
6 THAT A QUALIFIED TAXPAYER CLAIMS IN THE FIRST YEAR OF THE CREDIT
7 PERIOD MUST EQUAL SEVENTY PERCENT OF THE TOTAL AMOUNT OF THAT
8 CREDIT THAT THE AUTHORITY ALLOCATES TO THE QUALIFIED TAXPAYER;
9 AND

10 (b) THE AMOUNT OF THE CREDIT ALLOCATED AS PART OF THE
11 CREDITS AVAILABLE PURSUANT TO SUBSECTION (7)(a.7) OF THIS SECTION
12 THAT A QUALIFIED TAXPAYER CLAIMS IN THE SECOND YEAR THROUGH
13 SIXTH YEAR OF THE CREDIT PERIOD MUST EACH YEAR EQUAL SIX PERCENT
14 OF THE TOTAL AMOUNT OF THAT CREDIT THAT THE AUTHORITY ALLOCATES
15 TO THE QUALIFIED TAXPAYER.

16 **SECTION 2. Safety clause.** The general assembly finds,
17 determines, and declares that this act is necessary for the immediate
18 preservation of the public peace, health, or safety or for appropriations for
19 the support and maintenance of the departments of the state and state
20 institutions.