

**First Extraordinary Session  
Seventy-second General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 20B-0046.01 Pierce Lively x2059

**HOUSE BILL 20B-1017**

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**HOUSE SPONSORSHIP**

**Holtorf**, Carver, Champion, Landgraf, Liston, McKean, Pelton, Soper

**SENATE SPONSORSHIP**

**(None)**,

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**House Committees**

Public Health Care & Human Services

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING INCOME TAX CREDITS FOR LOST RENTAL PAYMENTS DUE**  
102 **TO THE COVID-19 PANDEMIC.**

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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>.)*

The bill creates a temporary income tax credit for landlords in an amount equal to the amount of rental payments owed, but not paid, to a landlord by persons who, if not for a governmental moratorium, the landlord would have initiated an action against to terminate their tenancy, other estate at will, or lease due to the late payment of rental payments.

Any part of the income tax credit that is not used may be carried

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

forward for a 5-year period but may not be refunded.

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-542 as  
3 follows:

4           **39-22-542. Tax credit for rental payments lost due to**  
5 **COVID-19 - legislative declaration - definitions - repeal.** (1) (a) THE  
6 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

7           (I) IN RESPONSE TO THE HINDERED ABILITY OF COLORADANS TO  
8 KEEP UP WITH RESIDENTIAL AND NONRESIDENTIAL RENTAL PAYMENTS  
9 BECAUSE OF THE SUBSTANTIAL LOSS OF INCOME SUFFERED DUE TO THE  
10 COVID-19 PANDEMIC, LOCAL GOVERNMENTS, THE STATE GOVERNMENT,  
11 AND THE FEDERAL GOVERNMENT HAVE ISSUED VARIOUS FORMS OF  
12 EVICTION MORATORIA; AND

13           (II) THESE EVICTION MORATORIA HAVE RESULTED IN LANDLORDS  
14 NOT RECEIVING RENTAL PAYMENTS FROM THEIR TENANTS AND NOT BEING  
15 ABLE TO REMOVE THEIR NONPAYING TENANTS FROM THEIR PROPERTY AND  
16 REPLACE THEM WITH TENANTS WHO WILL TIMELY PAY THEIR RENT.

17           (b) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT  
18 THE INTENDED PURPOSE OF THE TAX CREDIT CREATED IN THIS SECTION IS  
19 TO COMPENSATE LANDLORDS FOR THE RENTAL PAYMENTS LANDLORDS  
20 HAVE NOT RECEIVED FROM PERSONS OR ENTITIES WHO, IF NOT FOR THE  
21 EVICTION MORATORIA ISSUED BY LOCAL, STATE, AND FEDERAL  
22 GOVERNMENTS IN RESPONSE TO THE COVID-19 PANDEMIC, THE  
23 LANDLORD WOULD HAVE INITIATED AN ACTION AGAINST TO TERMINATE  
24 THEIR TENANCY, OTHER ESTATE AT WILL, OR LEASE DUE TO THE LATE  
25 PAYMENT OF RENTAL PAYMENTS.

1           (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
2 REQUIRES:

3           (a) "EVICTION MORATORIUM" MEANS AN ORDER WITH THE FORCE  
4 OF LAW ISSUED BY A LOCAL GOVERNMENT, THE STATE GOVERNMENT, OR  
5 THE FEDERAL GOVERNMENT THAT PREVENTS A LANDLORD FROM  
6 TERMINATING THE TENANCY, ANY OTHER ESTATE AT WILL, OR LEASE OF A  
7 TENANT DUE TO THE LATE PAYMENT OF RENT BY THAT TENANT. EVICTION  
8 MORATORIA INCLUDE, BUT ARE NOT LIMITED TO, THE ORDER ISSUED ON  
9 SEPTEMBER 4, 2020, BY THE CENTERS FOR DISEASE CONTROL AND  
10 PREVENTION ENTITLED "TEMPORARY HALT IN RESIDENTIAL EVICTIONS TO  
11 PREVENT THE FURTHER SPREAD OF COVID-19", 85 FED. REG. 55, 292,  
12 EXECUTIVE ORDER D 2020 051, EXECUTIVE ORDER D 2020 088,  
13 EXECUTIVE ORDER D 2020 227, AND EXECUTIVE ORDER D 2020 255.

14           (b) "LANDLORD" MEANS ANY PERSON WHO RENTS OR LEASES A  
15 RESIDENTIAL OR NONRESIDENTIAL PROPERTY IN THE STATE.

16           (3) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
17 JANUARY 1, 2020, BUT PRIOR TO JANUARY 1, 2022, A LANDLORD IS  
18 ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED BY THIS  
19 ARTICLE 22 IN AN AMOUNT EQUAL TO THE AMOUNT OF RENTAL PAYMENTS  
20 OWED, BUT NOT PAID, TO THE LANDLORD IN THAT TAX YEAR BY PERSONS  
21 WHO, IF NOT FOR AN EVICTION MORATORIUM, THE LANDLORD WOULD  
22 HAVE INITIATED AN ACTION AGAINST IN THE STATE TO TERMINATE THEIR  
23 TENANCY, OTHER ESTATE AT WILL, OR LEASE DUE TO THE LATE PAYMENT  
24 OF RENTAL PAYMENTS.

25           (b) TO THE EXTENT ANY RENTAL PAYMENTS OWED TO THE  
26 LANDLORD AS DESCRIBED IN SUBSECTION (3)(a) OF THIS SECTION WOULD  
27 QUALIFY THE LANDLORD FOR A DIFFERENT TAX CREDIT OR BE SUBTRACTED

1 FROM THE LANDLORD'S FEDERAL TAXABLE INCOME, THOSE RENTAL  
2 PAYMENTS ARE NOT TO BE INCLUDED WHEN CALCULATING THE AMOUNT  
3 OF THE TAX CREDIT A LANDLORD CAN CLAIM UNDER THIS SECTION.

4 (c) TO THE EXTENT A LANDLORD COLLECTS THE TAX CREDIT  
5 CREATED IN THIS SECTION AND LATER RECEIVES PREVIOUSLY UNPAID  
6 RENTAL PAYMENTS THAT QUALIFIED UNDER SUBSECTION (3)(a) OF THIS  
7 SECTION AND WERE USED TO DETERMINE THE AMOUNT OF THE CREDIT  
8 AWARDED TO THE LANDLORD, THE LANDLORD MUST REFUND AN AMOUNT  
9 EQUAL TO THOSE RENTAL PAYMENTS TO THE DEPARTMENT OF REVENUE.

10 (4) TO BE ELIGIBLE FOR A TAX CREDIT UNDER THIS SECTION, A  
11 LANDLORD SHALL PROVIDE THE DEPARTMENT OF REVENUE  
12 DOCUMENTATION, IN A MANNER AND FORM TO BE DETERMINED BY THE  
13 DEPARTMENT, THAT PROVIDES EVIDENCE OF THE RELEVANT RENTAL  
14 PAYMENTS NOT PAID TO THE LANDLORD AS DESCRIBED IN SUBSECTION (3)  
15 OF THIS SECTION.

16 (5) IF THE AMOUNT OF THE CREDIT ALLOWED IN THIS SECTION  
17 EXCEEDS THE AMOUNT OF INCOME TAXES OTHERWISE DUE ON THE  
18 LANDLORD'S INCOME IN THE INCOME TAX YEAR FOR WHICH THE CREDIT IS  
19 BEING CLAIMED, THE AMOUNT OF THE CREDIT NOT USED AS AN OFFSET  
20 AGAINST INCOME TAXES IN THE CURRENT INCOME TAX YEAR MAY BE  
21 CARRIED FORWARD AND USED AS A CREDIT AGAINST SUBSEQUENT YEARS'  
22 INCOME TAX LIABILITY FOR A PERIOD NOT TO EXCEED FIVE YEARS AND  
23 MUST BE APPLIED FIRST TO THE EARLIEST INCOME TAX YEARS POSSIBLE.  
24 ANY CREDIT REMAINING AFTER THE FIVE-YEAR PERIOD MAY NOT BE  
25 REFUNDED OR CREDITED TO THE LANDLORD.

26 (6) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2030.

27 **SECTION 2. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, or safety.