

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

**INTRODUCED**

LLS NO. 23-0127.01 Pierce Lively x2059

**HOUSE BILL 23-1122**

---

**HOUSE SPONSORSHIP**

**Bird,**

**SENATE SPONSORSHIP**

**Hansen and Kolker, Liston**

---

**House Committees**  
Finance

**Senate Committees**

---

**A BILL FOR AN ACT**

101 **CONCERNING THE MODIFICATION OF THE STATE INCOME TAX CREDIT**  
102 **FOR PURCHASING LONG-TERM CARE INSURANCE.**

---

**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/>.)*

**Legislative Oversight Committee Concerning Tax Policy.** For income tax years beginning January 1, 2024, the bill both:

- Increases the amount of federal taxable income taxpayers may have and still qualify for the state income tax credit for purchasing long-term care insurance and annually adjusts that amount of federal taxable income for inflation; and

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.

- Doubles the amount of the credit that a taxpayer may claim and annually adjusts the credit for inflation.

---

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-122, **amend**  
3 (2) and (3); and **add** (3.5) as follows:

4 **39-22-122. Long-term care insurance credit - definition.**

5 (2) Notwithstanding any other provision of this section, ~~to the contrary,~~  
6 a credit shall only be allowed:

7 (a) FOR INCOME TAX YEARS COMMENCING PRIOR TO JANUARY 1,  
8 2024, to:

9 (a) (I) An individual filing a single return with a federal taxable  
10 income of less than fifty thousand dollars for the tax year for which the  
11 credit is claimed;

12 (b) (II) Two individuals filing a joint return with a federal taxable  
13 income of less than fifty thousand dollars for the tax year for which the  
14 credit is claimed if claiming the credit for one policy; or

15 (c) (III) Two individuals filing a joint return with a federal taxable  
16 income of less than one hundred thousand dollars for the tax year for  
17 which the credit is claimed if claiming the credit for two policies or for  
18 a joint policy that covers each individual separately.

19 (b) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY  
20 1, 2024, TO:

21 (I) AN INDIVIDUAL FILING A SINGLE RETURN WITH A FEDERAL  
22 TAXABLE INCOME OF LESS THAN ONE HUNDRED THOUSAND DOLLARS FOR  
23 THE TAX YEAR FOR WHICH THE CREDIT IS CLAIMED;

24 (II) TWO INDIVIDUALS FILING A JOINT RETURN WITH A FEDERAL  
25 TAXABLE INCOME OF LESS THAN ONE HUNDRED THOUSAND DOLLARS FOR

1 THE TAX YEAR FOR WHICH THE CREDIT IS CLAIMED IF CLAIMING THE  
2 CREDIT FOR ONE POLICY; OR

3 (III) TWO INDIVIDUALS FILING A JOINT RETURN WITH A FEDERAL  
4 TAXABLE INCOME OF LESS THAN TWO HUNDRED THOUSAND DOLLARS FOR  
5 THE TAX YEAR FOR WHICH THE CREDIT IS CLAIMED IF CLAIMING THE  
6 CREDIT FOR TWO POLICIES OR FOR A JOINT POLICY THAT COVERS EACH  
7 INDIVIDUAL SEPARATELY.

8 (3) Notwithstanding any other provision of this section, ~~to the~~  
9 ~~contrary~~, FOR INCOME TAX YEARS COMMENCING:

10 (a) PRIOR TO JANUARY 1, 2024, the amount of credit claimed  
11 pursuant to this section shall not exceed one hundred fifty dollars for each  
12 policy for which a credit is claimed pursuant to this section.

13 (b) ON OR AFTER JANUARY 1, 2024, THE AMOUNT OF CREDIT  
14 CLAIMED PURSUANT TO THIS SECTION SHALL NOT EXCEED THREE HUNDRED  
15 DOLLARS FOR EACH POLICY FOR WHICH A CREDIT IS CLAIMED PURSUANT TO  
16 THIS SECTION.

17 (3.5) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
18 JANUARY 1, 2024, THE DEPARTMENT SHALL ADJUST THE FOLLOWING TO  
19 REFLECT INFLATION FOR EACH INCOME TAX YEAR IN WHICH THE CREDIT  
20 DESCRIBED IN THIS SECTION IS ALLOWED:

21 (I) THE FEDERAL TAXABLE INCOME LIMITS SET FORTH IN  
22 SUBSECTION (2)(b) OF THIS SECTION; AND

23 (II) THE MAXIMUM AMOUNT OF CREDIT THAT A TAXPAYER MAY  
24 CLAIM AS SET FORTH IN SUBSECTION (3) OF THIS SECTION.

25 (b) AS USED IN SUBSECTION (3.5)(a) OF THIS SECTION, "INFLATION"  
26 MEANS THE ANNUAL PERCENTAGE CHANGE IN THE UNITED STATES  
27 DEPARTMENT OF LABOR, BUREAU OF LABOR STATISTICS, CONSUMER PRICE

1 INDEX FOR DENVER-AURORA-LAKEWOOD FOR ALL ITEMS PAID BY ALL  
2 URBAN CONSUMERS, OR ITS APPLICABLE SUCCESSOR INDEX.

3           **SECTION 2. Act subject to petition - effective date.** This act  
4 takes effect January 1, 2024; except that, if a referendum petition is filed  
5 pursuant to section 1 (3) of article V of the state constitution against this  
6 act or an item, section, or part of this act within the ninety-day period  
7 after final adjournment of the general assembly, then the act, item,  
8 section, or part will not take effect unless approved by the people at the  
9 general election to be held in November 2024 and, in such case, will take  
10 effect on the date of the official declaration of the vote thereon by the  
11 governor.