

**First Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

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

LLS NO. 13-0701.01 Gregg Fraser x4325

**HOUSE BILL 13-1183**

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**HOUSE SPONSORSHIP**

**Levy and Gerou, Duran**

**SENATE SPONSORSHIP**

**Lambert, Hodge, Steadman**

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**House Committees**

Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE IMPOSITION OF A CAP OF FORTY-FIVE MILLION**  
102              **DOLLARS ON THE TOTAL AMOUNT OF STATE INCOME TAX**  
103              **CREDITS THAT MAY BE CLAIMED BY ALL TAXPAYERS EACH YEAR**  
104              **FOR THE DONATION OF A CONSERVATION EASEMENT IN GROSS.**

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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://www.leg.state.co.us/billsummaries>.)*

**Joint Budget Committee.** Taxpayers are allowed to claim a state income tax credit for donating a conservation easement. Current law caps

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

the total amount of credits that may be claimed by all taxpayers each year for a 3-year period. The amount of the cap is \$22 million for 2011 and 2012 and \$34 million for 2013. Credits that exceed the amount allowed for each year are placed on a wait list for a future year.

The bill extends the cap for 2014 and later years and increases the annual amount of the cap for these years to \$45 million. Clarifying amendments on the process of administering the cap are made.

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-61-722, **amend**  
3 (1) introductory portion, (1) (a), and (1) (e); and **add** (2) and (3) as  
4 follows:

5 **12-61-722. Conservation easement tax credit certificates.**

6 (1) The division shall receive ~~claims~~ TAX CREDIT CERTIFICATE  
7 APPLICATIONS from and issue certificates to ~~certified conservation~~  
8 ~~easement holders~~ TAXPAYERS for income tax credits for conservation  
9 easements donated ~~during the 2011, 2012, and 2013 calendar years~~ ON OR  
10 AFTER JANUARY 1, 2011, in accordance with ~~the provisions of~~ section  
11 39-22-522 (2.5), C.R.S., AND THIS PART 7. Nothing in this section shall be  
12 construed to restrict or limit the authority of the division to enforce ~~the~~  
13 ~~provisions of~~ this part 7. The division may promulgate rules in  
14 accordance with article 4 of title 24, C.R.S., for the issuance of the  
15 certificates. In promulgating any such rules, the division may include but  
16 shall not be limited to provisions governing the following:

17 (a) The review of the tax credit certificate APPLICATION PURSUANT  
18 TO THIS PART 7;

19 (e) Any other matters related to administering ~~the provisions of~~  
20 section 39-22-522 (2.5), C.R.S., OR THIS PART 7.

21 (2) THE DIVISION SHALL APPLY THE AMOUNT CLAIMED IN A  
22 COMPLETED TAX CREDIT CERTIFICATE APPLICATION AGAINST THE ANNUAL

1 TAX CREDIT LIMIT IN THE ORDER THAT COMPLETED APPLICATIONS ARE  
2 RECEIVED. THE DIVISION SHALL APPLY CLAIMED TAX CREDIT AMOUNTS  
3 THAT EXCEED THE ANNUAL LIMIT IN ANY YEAR AGAINST THE LIMIT FOR  
4 THE NEXT AVAILABLE YEAR AND ISSUE TAX CREDIT CERTIFICATES FOR USE  
5 IN THE YEAR IN WHICH THE AMOUNT WAS APPLIED TO THE ANNUAL LIMIT.

6 (3) THE DIVISION SHALL NOT ISSUE TAX CREDIT CERTIFICATES  
7 THAT IN AGGREGATE EXCEED THE LIMIT SET FORTH IN SECTION 39-22-522  
8 (2.5), C.R.S., DURING A PARTICULAR CALENDAR YEAR.

9 **SECTION 2.** In Colorado Revised Statutes, 39-22-522, **amend**  
10 (2.5) as follows:

11 **39-22-522. Credit against tax - conservation easements.**

12 (2.5) Notwithstanding any other provision of this section, for income tax  
13 years commencing ~~during the 2011, 2012, and 2013 calendar years~~ ON OR  
14 AFTER JANUARY 1, 2011, a taxpayer conveying a conservation easement  
15 ~~in 2011, 2012, or 2013~~ and claiming a credit pursuant to this section shall,  
16 in addition to any other requirements of this section, submit a claim for  
17 the credit to the division of real estate in the department of regulatory  
18 agencies. The division shall issue a certificate for the claims received in  
19 the order submitted. After certificates have been issued for credits that  
20 exceed an aggregate of twenty-two million dollars for all taxpayers for  
21 ~~income tax years commencing in each of the 2011 and 2012 calendar~~  
22 ~~years, and thirty-four million dollars for each income tax year~~  
23 ~~commencing in the 2013 calendar year,~~ AND FORTY-FIVE MILLION  
24 DOLLARS FOR EACH CALENDAR YEAR THEREAFTER, any claims that exceed  
25 the amount allowed for a specified calendar year shall be placed on a wait  
26 list in the order submitted and a certificate shall be issued for use of the  
27 credit in ~~2012 or 2013~~ THE NEXT YEAR FOR WHICH THE DIVISION HAS NOT

1 ISSUED CREDIT CERTIFICATES IN EXCESS OF THE AMOUNTS SPECIFIED IN  
2 THIS SUBSECTION (2.5); EXCEPT THAT NO MORE THAN FIFTEEN MILLION  
3 DOLLARS IN CLAIMS SHALL BE PLACED ON THE WAIT LIST IN ANY GIVEN  
4 CALENDAR YEAR. The division shall not issue credit certificates that  
5 exceed twenty-two million dollars for each income tax year commencing  
6 in EACH OF the 2011 and 2012 calendar years, and thirty-four million  
7 dollars for each income tax year commencing in the 2013 calendar year,  
8 AND FORTY-FIVE MILLION DOLLARS FOR EACH CALENDAR YEAR  
9 THEREAFTER. No claim for a credit shall be IS allowed for any income tax  
10 year commencing during the 2011, 2012, or 2013 calendar years ON OR  
11 AFTER JANUARY 1, 2011, unless a certificate has been issued by the  
12 division. The right to claim the credit shall be IS vested in the taxpayer at  
13 the time a credit certificate is issued. The division may promulgate rules  
14 in accordance with article 4 of title 24, C.R.S., for the issuance of  
15 certificates in accordance with this subsection (2.5).

16 **SECTION 3. Act subject to petition - effective date.** This act  
17 takes effect at 12:01 a.m. on the day following the expiration of the  
18 ninety-day period after final adjournment of the general assembly (August  
19 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a  
20 referendum petition is filed pursuant to section 1 (3) of article V of the  
21 state constitution against this act or an item, section, or part of this act  
22 within such period, then the act, item, section, or part will not take effect  
23 unless approved by the people at the general election to be held in  
24 November 2014 and, in such case, will take effect on the date of the  
25 official declaration of the vote thereon by the governor.