

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

INTRODUCED

LLS NO. 20-1015.01 Esther van Mourik x4215

HOUSE BILL 20-1309

HOUSE SPONSORSHIP

Holtorf,

SENATE SPONSORSHIP

Crowder,

House Committees

Business Affairs & Labor
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A TEMPORARY INCOME TAX CREDIT FOR EMPLOYERS**
102 **WHO ALLOW EMPLOYEES TO TELECOMMUTE.**

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 employers in an amount of \$1,000 for each employee that is allowed to telecommute at least two-thirds of the time that the employee is expected to work. Any part of the income tax credit that is not used may be carried forward for a 10-year period but may not be refunded.

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.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-543 as
3 follows:

4 **39-22-543. Credit for employers who allow employees to**
5 **telecommute - legislative declaration - definitions - repeal.** (1)(a) THE
6 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT THERE ARE
7 SIGNIFICANT BENEFITS TO THE STATE, TO EMPLOYERS, AND TO EMPLOYEES
8 WHEN EMPLOYERS ALLOW THEIR EMPLOYEES TO TELECOMMUTE.
9 ENCOURAGING EMPLOYERS TO ALLOW EMPLOYEES TO TELECOMMUTE
10 WILL:

11 (I) BENEFIT COLORADO'S JOB MARKET BY REVITALIZING RURAL
12 COUNTIES, MUNICIPALITIES, CITIES, AND TOWNS BECAUSE EMPLOYEES CAN
13 LIVE IN AREAS OUTSIDE THE DENVER METROPOLITAN AREA;
14 INCENTIVIZING BUSINESSES THAT ARE NOT CURRENTLY IN COLORADO TO
15 LOCATE TELECOMMUTING EMPLOYEES INTO THE STATE; HELPING TO DRIVE
16 THE EXPANSION OF RURAL INTERNET OR BROADBAND, WHICH WILL
17 PROVIDE ADDED BENEFITS TO RURAL COMMUNITIES; REDUCING THE HIGH
18 COST OF ALREADY-LIMITED OFFICE SPACE FOR BUSINESSES; AND ASSISTING
19 RURAL COMMUNITIES TO TRANSITION FROM NATURAL RESOURCE BASED
20 JOBS TO OTHER TYPES OF JOBS;

21 (II) REDUCE GOVERNMENT SPENDING BY LESSENING THE WEAR
22 AND TEAR ON THE STATE'S TRANSPORTATION SYSTEM; REDUCING THE
23 NEED FOR COSTLY METROPOLITAN HIGHWAY EXPANSIONS; DECREASING
24 THE LIKELIHOOD OF COSTLY MOTOR VEHICLE ACCIDENTS AND ASSOCIATED
25 MEDICAL, DISABILITY, AND LITIGATION EXPENDITURES; INCREASING
26 OPPORTUNITIES FOR PERSONS WITH DISABILITIES WHO CAN'T EASILY

1 TRAVEL FOR WORK; AND LESSENING THE LIKELIHOOD OF THEFT, COURT
2 TIME, AND INCARCERATION RESULTING FROM THEFT BECAUSE HOMES ARE
3 NOT LEFT VACANT DURING THE DAY;

4 (III) HELP THE ENVIRONMENT BY REDUCING CARBON EMISSIONS
5 DUE TO REDUCED TRAFFIC, POLLUTION ON THE FRONT RANGE BECAUSE
6 TRAFFIC IS NOT CONCENTRATED IN THE DENVER METROPOLITAN AREA,
7 MICRO-PARTICLE PLASTIC POLLUTION FROM TIRE WEAR, AND PAPER AND
8 PLASTIC WASTE; AND

9 (IV) PROVIDE BENEFITS TO EMPLOYEES BY SIGNIFICANTLY
10 IMPROVING JOB SATISFACTION, REDUCING DAYCARE COSTS, INCREASING
11 PRODUCTIVITY, WHICH CAN LEAD TO INCREASED PAY AND INCREASED TAX
12 REVENUES FOR THE STATE, REDUCING VEHICLE MAINTENANCE COSTS,
13 REDUCING TRANSPORTATION COSTS, AND INCREASING FREE TIME.

14 (b) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT
15 THE PURPOSE OF THIS SECTION IS TO PROVIDE AN INCENTIVE FOR
16 EMPLOYERS TO ALLOW THEIR EMPLOYEES TO TELECOMMUTE.

17 (2) AS USED IN THIS SECTION:

18 (a) "EMPLOYEE" MEANS ANY PERSON IN THE EMPLOYMENT OF AN
19 EMPLOYER FOR A SALARY OR FOR HOURLY WAGES, WHETHER FULL-TIME
20 OR PART-TIME AND WHETHER TEMPORARY OR PERMANENT.

21 (b) "EMPLOYER" MEANS ANY PERSON DOING BUSINESS IN THE
22 STATE.

23 (c) "TELECOMMUTE" MEANS TO WORK AT HOME BY THE USE OF AN
24 ELECTRONIC LINKUP WITH A CENTRAL OFFICE.

25 (3) FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY
26 1, 2021, BUT PRIOR TO JANUARY 1, 2032, AN EMPLOYER IS ALLOWED A
27 CREDIT AGAINST THE INCOME TAXES IMPOSED BY THIS ARTICLE 22 IN AN

1 AMOUNT EQUAL TO ONE THOUSAND DOLLARS FOR EACH EMPLOYEE THAT
2 IS ALLOWED TO TELECOMMUTE FOR AT LEAST TWO-THIRDS OF THE TIME
3 THAT THE EMPLOYEE IS EXPECTED TO WORK.

4 (4) IF THE AMOUNT OF THE CREDIT ALLOWED IN THIS SECTION
5 EXCEEDS THE AMOUNT OF INCOME TAXES OTHERWISE DUE ON THE
6 EMPLOYER'S INCOME IN THE INCOME TAX YEAR FOR WHICH THE CREDIT IS
7 BEING CLAIMED, THE AMOUNT OF THE CREDIT NOT USED AS AN OFFSET
8 AGAINST INCOME TAXES IN THE CURRENT INCOME TAX YEAR MAY BE
9 CARRIED FORWARD AND USED AS A CREDIT AGAINST SUBSEQUENT YEARS'
10 INCOME TAX LIABILITY FOR A PERIOD NOT TO EXCEED FIVE YEARS AND
11 MUST BE APPLIED FIRST TO THE EARLIEST INCOME TAX YEARS POSSIBLE.
12 ANY CREDIT REMAINING AFTER THE PERIOD MAY NOT BE REFUNDED OR
13 CREDITED TO THE EMPLOYER.

14 (5) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2034.

15 **SECTION 2. Act subject to petition - effective date.** This act
16 takes effect at 12:01 a.m. on the day following the expiration of the
17 ninety-day period after final adjournment of the general assembly (August
18 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
19 referendum petition is filed pursuant to section 1 (3) of article V of the
20 state constitution against this act or an item, section, or part of this act
21 within such period, then the act, item, section, or part will not take effect
22 unless approved by the people at the general election to be held in
23 November 2020 and, in such case, will take effect on the date of the
24 official declaration of the vote thereon by the governor.