



FYI Income 32 School-to-Career Investment Credit

Colorado taxpayers can claim an income tax credit equal to 10% of their current year investment in a qualified school-to-career program. [§39-22-520(2), C.R.S.].

“Qualified investment” means money directly expended for wages, workers’ compensation insurance, unemployment insurance, and training expenses to employ a student to work or to allow a student to participate in an internship through a qualified school-to-career program.

“Qualified school-to-career program” means a program that integrates school curriculum with job training that encourages placement of students in jobs or internships that will teach them new skills and improve their school performance, and that is approved by:

- 1) The board of education of the school district in which the program is operating;
- 2) The State Board for Community Colleges and Occupational Education;
- 3) The Division of Private Occupational Schools created pursuant to §12-59-104.1, C.R.S.; or
- 4) The Colorado Commission on Higher Education.

No credit should be claimed for any expense incurred prior to the date the program was approved by one of the above organizations. Each year’s claim should be accompanied by a letter from the organization certifying the program and citing the taxpayer as an approved participant.

If the credit exceeds the taxpayer’s tax liability, the excess credit will not be refunded, but may be carried forward to the following income tax year. Credits may be carried forward up to five years, but must be applied to offset tax in the earliest year possible.

FYIs provide general information concerning a variety of Colorado tax topics in simple and straightforward language. Although the FYIs represent a good faith effort to provide accurate and complete tax information, the information is not binding on the Colorado Department of Revenue, nor does it replace, alter, or supersede Colorado law and regulations. The Executive Director, who by statute is the only person having the authority to bind the Department, has not formally reviewed and/or approved these FYIs.