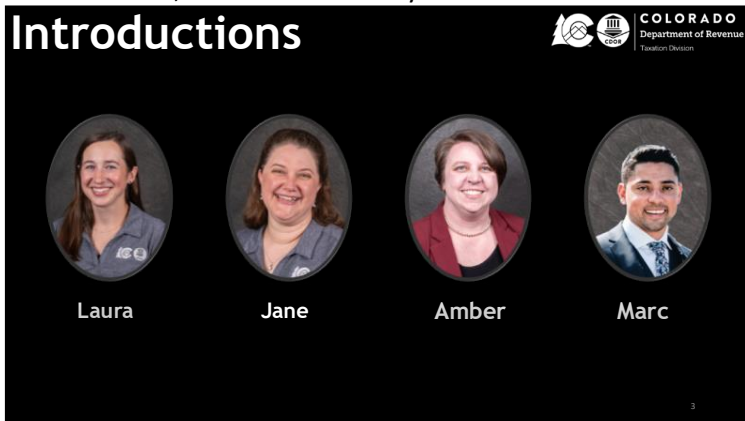
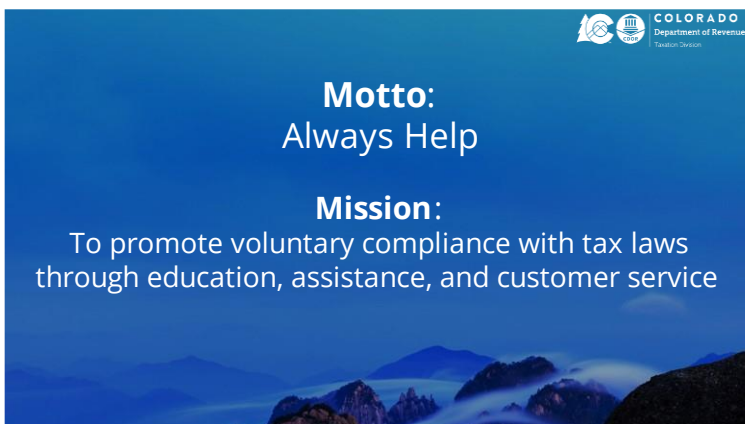


This webinar covers recent legislation changes to Colorado taxes and fees, and the SALT Parity Act.




Training Materials Link:
<https://tax.colorado.gov/tax-education-webinars>







Resources & Tools




 Tax.Colorado.gov
Colorado.gov/RevenueOnline

 Taxpayer Helpline: 303-238-7378
Practitioner Hotline: 303-232-2419

 Local Offices via Walk-In/Appointment

 FYI's & Guidance Publications

 Taxpayer Email:
DOR_TaxpayerService@state.co.us

Homepage:

<https://tax.colorado.gov/>

Revenue Online:

<https://www.colorado.gov/revenueonline/>

Visit a Service Center:

<https://tax.colorado.gov/visit-a-service-center>

FYIs & Guidance Publications:





<https://tax.colorado.gov/guidance-publications>

Taxpayer Email:

DOR_TaxpayerService@state.co.us

Follow Us!



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LinkedIn:

<https://www.linkedin.com/company/corevenue/about/>

YouTube:

https://www.youtube.com/channel/UCArFOA_JsXGM8CWHEPkVwA

Facebook:

<https://www.facebook.com/ColoradoRevenue/>


Instagram:

<https://www.instagram.com/corevenue/?hl=en>




Legislative Changes





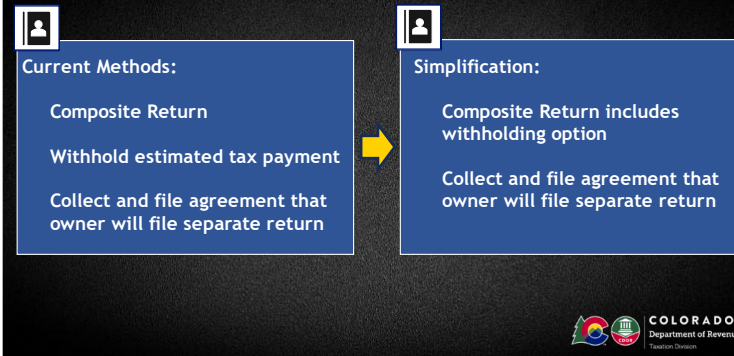
HB23-1277 Reporting Adjustments to Taxable Income



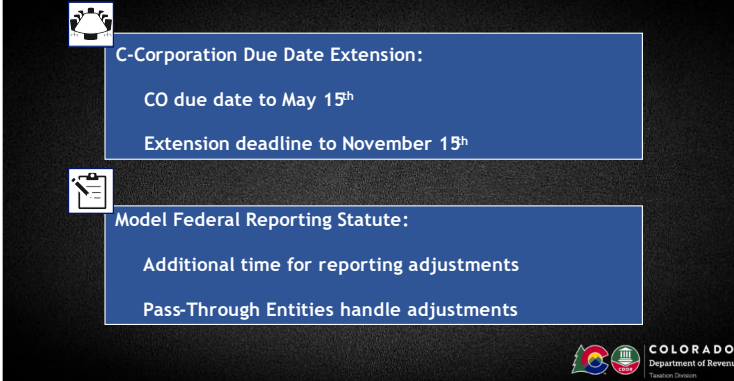
HB23-1277:

<https://leg.colorado.gov/bills/hb23-1277>

HB23-1277 Reporting Adjustments to Taxable Income

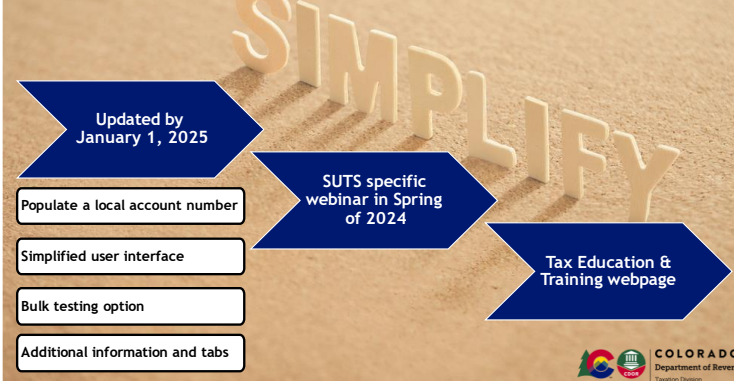


HB23-1277 Reporting Adjustments to Taxable Income



HB23-1017
<https://leg.colorado.gov/bills/hb23-1017>

HB23-1017 Electronic Sales and Use Tax Simplification System





HB23-1006 Employer Notice of Income Tax Credits



HB23-1006:
<https://leg.colorado.gov/bills/hb23-1006>

HB23-1006 Employer Notice of Income Tax Credits

Employers must notify employees in writing of potential eligibility for federal and state income tax credits (EITC and CTC)

Notice required by January 31, 2024 and by January 31st of each year thereafter, which is the same deadline as providing W-2s to employees

CDOR published a model on our website to help employers comply

HB23-1272 Tax Policy that Advances Decarbonization

HB23-1272:
<https://leg.colorado.gov/bills/hb23-1272>

HB23-1272 Tax Policy that Advances Decarbonization

Increased innovative motor vehicle credits effective July 1, 2023

Disallowed credits for vehicles with MSRP over \$80,000

Additional credits beginning in 2024 for qualifying vehicles with MSRP under \$35,000

HB23-1272 Tax Policy that Advances Decarbonization

2024 Increases innovative truck credits	2024 Both credits can be assigned to the motor vehicle dealer	2025 Financing entity or motor vehicle dealer that accepts assignments of the credit may request advance payment
--	--	---

HB23-1272 Tax Policy that Advances Decarbonization

Industrial clean energy	Geothermal energy projects	Production of geothermal electricity generation
Heat pump technology	Retail sales of electric bicycles	Construction of sustainable aviation fuel production facilities

HB23-1272 Tax Policy that Advances Decarbonization

Changes the calculation of the ad valorem credit

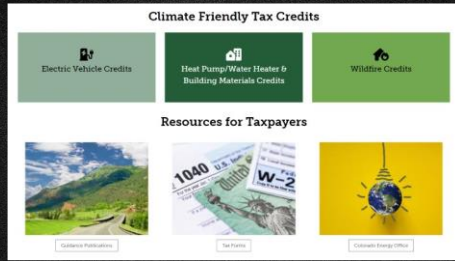
CHANGE AHEAD

SB22-051:
<https://leg.colorado.gov/bills/sb22-051>

SB22-051 Policies to Reduce Emissions From Built Environment



SB22-051 Policies to Reduce Emissions From Built Environment



[Tax.Colorado.gov/climate-friendly-tax-incentives](https://tax.colorado.gov/climate-friendly-tax-incentives)



Climate Friendly Tax Incentives:
<https://tax.colorado.gov/climate-friendly-tax-incentives>

SB22-051 Policies to Reduce Emissions From Built Environment



Income tax credit for heat pump systems and heat pump water heaters



10% of the purchase price paid by the purchaser



SB22-051 Policies to Reduce Emissions From Built Environment

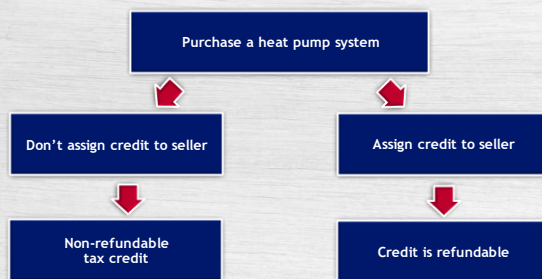
Credit only available for 2023



New similar credit in HB23-1272



SB22-051 Policies to Reduce Emissions From Built Environment



Forms by tax type:
<https://tax.colorado.gov/forms-by-tax-type>

Forms in number order:
<https://tax.colorado.gov/forms-in-number-order>



SB22-051 Policies to Reduce Emissions From Built Environment



Income tax credit
Installation of residential energy storage systems in 2023 and 2024 income tax years
10% of the purchase price paid by the purchaser



Horizontal lines for notes

SB22-051 Policies to Reduce Emissions From Built Environment

Sales and Use tax exemptions

- Eligible decarbonizing building materials
Heat pump systems and heat pump water heaters
Residential energy storage systems



Office of State Architect: https://osa.colorado.gov/
OSA Email: dpa_statebuildings@state.co.us

OSA.Colorado.gov
DPA_statebuildings@state.co.us

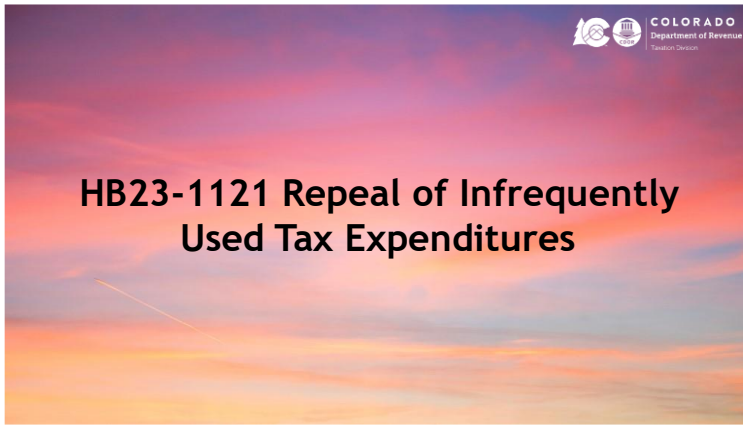
Horizontal lines for notes

SB22-051 Policies to Reduce Emissions From Built Environment



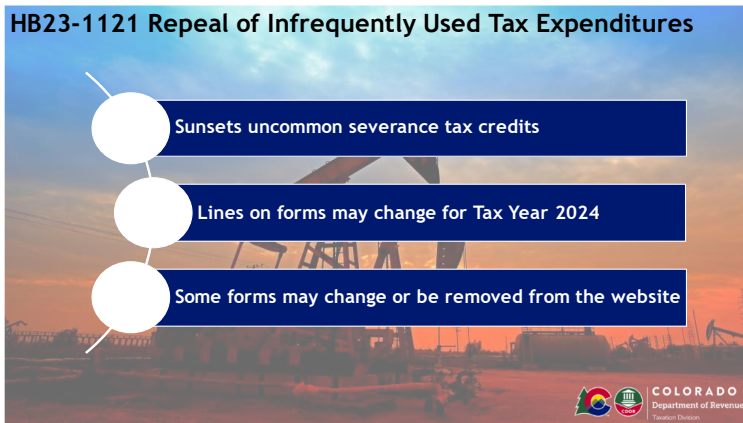
- DR 1307 Residential Energy Storage System Credit Eligibility Certification and Assignment Election Instructions
DR 1322 Heat Pump System or Heat Pump Water Heater Eligibility Certification and Assignment Election

Eligibility System requirements Installation Requirements Submission instructions



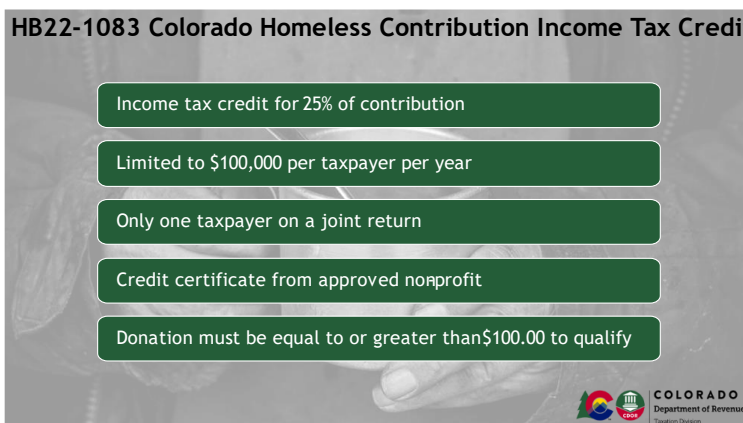
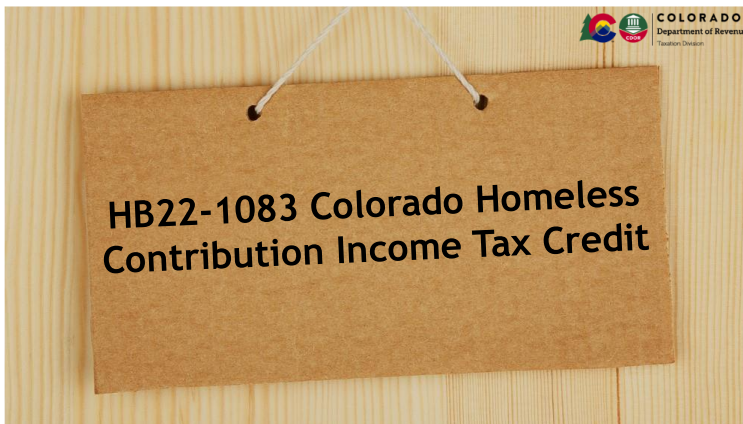
HB23-1121: <https://leg.colorado.gov/bills/hb23-1121>

Horizontal lines for notes



HB22-1083: <https://leg.colorado.gov/bills/hb22-1083>

Horizontal lines for notes





HB22-1310 529 Account Apprenticeship Expenses

COLORADO Department of Revenue Taxation Division

HB22-1310 529:
<https://leg.colorado.gov/bills/HB22-1310>

HB22-1310 529 Account Apprenticeship Expenses

Apprenticeship.Colorado.gov

Apprenticeships
University/College

Qualified higher education expenses

COLORADO Department of Revenue Taxation Division

Colorado Department of Labor and Employment's Apprenticeship Information:
<https://apprenticeship.colorado.gov/>

HB 22-1039 Sales & Use Tax Form Simplification

COLORADO Department of Revenue Taxation Division

HB22-1039:
<https://leg.colorado.gov/bills/hb22-1039>

HB22-1039 Sales & Use Tax Exemption Form Simplification

SIMPLIFY

Simplify Sales and Use Tax exemption requirements

May include elimination or consolidation of forms

COLORADO Department of Revenue Taxation Division



HB22-1039 Sales & Use Tax Exemption Form Simplification

Eliminated Forms:

- DR 0716 - Statement of Nonprofit Church, Synagogue, or Organization → DR 0715
- DR 0563 - Sales Tax Exemption Certificate Multi-Jurisdiction
- DR 1367 - Affidavit of Sales Paid by Government Credit Card
- DR 1191 - Sales Tax Exemption on Purchases of Machinery and Machine Tools
- DR 1192 - Colorado Machinery and Machine Tools State Sales Tax Exemption Declaration

DR 5002

HB22-1039 Sales & Use Tax Exemption Form Simplification

Revised Forms:

- DR 0715 - Application for Exempt Entity Certificate
- DR 5002 - Declaration of Wholesale or Entity Sales Tax Exemption
- DR 0172 - Contractor Application for Exemption Certificate



HB22-1118 Sales & Use Tax Refund

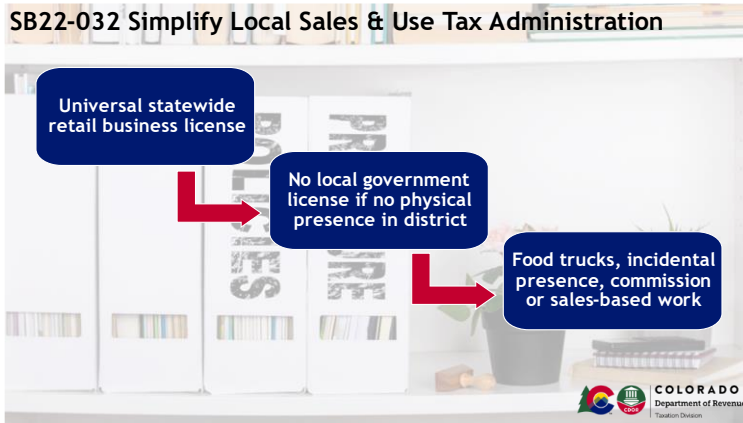
- Interest accrues from date refund claim is filed
- Civil penalties for claims that are materially incomplete, duplicative, and/or lacking a reasonable basis in law or in fact
- CDOR must notify and specify which information/documentation missing
- 60 days to correct or withdraw the refund claim before penalty assessed
- Applies to sales made after July 1, 2022 but before July 1, 2026



HB22-1118:
<https://leg.colorado.gov/bills/hb22-1118>



SB22-032:
<https://leg.colorado.gov/bills/sb22-032>

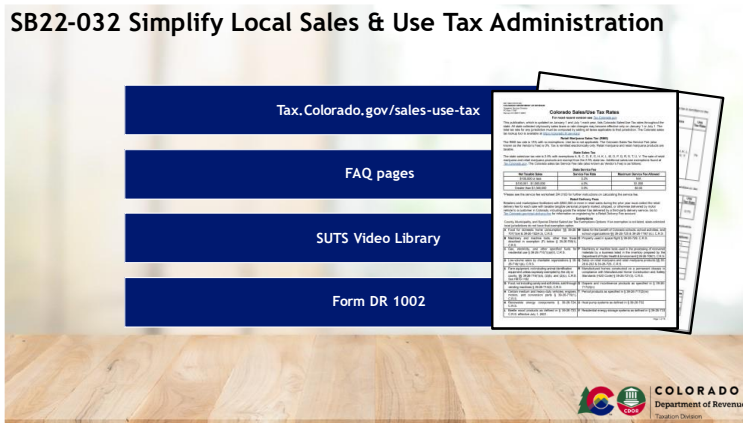


Sales & Use Tax webpage:
<https://tax.colorado.gov/sales-use-tax>

SUTS General and local FAQ page:
<https://tax.colorado.gov/SUTS-FAQ>
<https://tax.colorado.gov/SUTS-local-gov-FAQ>

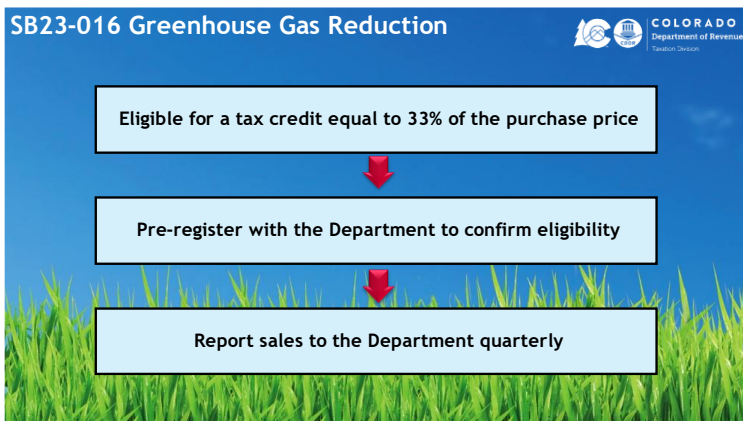
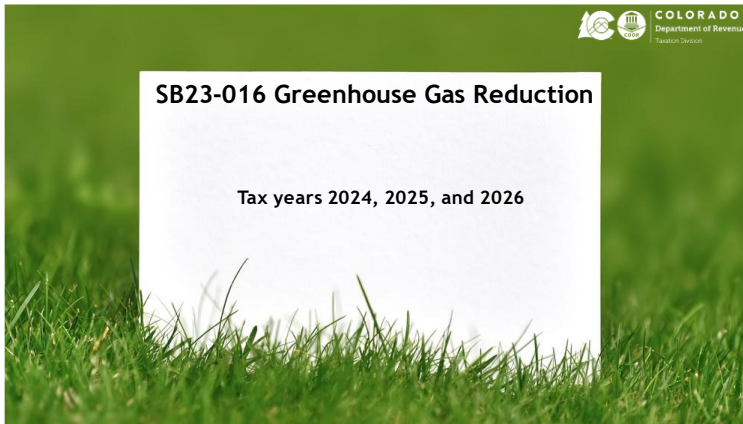
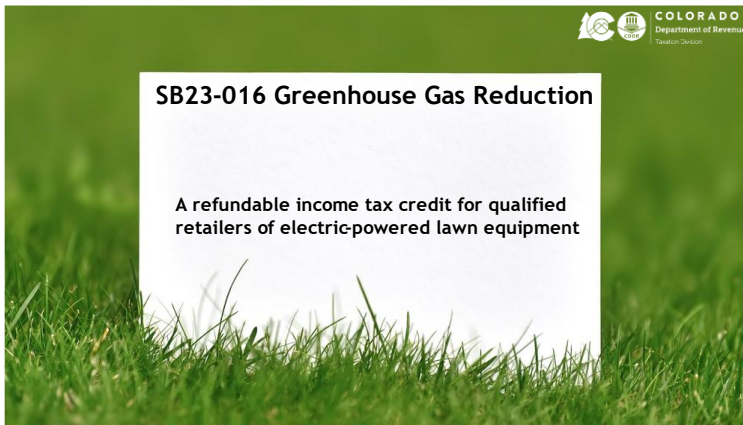
SUTS Video Library:
<https://tax.colorado.gov/SUTS-help>

Forms:
<https://tax.colorado.gov/forms-in-number-order>





SB23-016: <https://leg.colorado.gov/bills/sb23-016>



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SB23-016 Greenhouse Gas Reduction



Qualifying electric powered lawn equipment:



Lawnmowers



Leaf blowers



Trimmers



Snow blowers

SB23-016 Greenhouse Gas Reduction



Log into Revenue Online

Locate your "Income Tax" section

Locate the "Account" box

Select "Additional Actions"

Fill out required information



SB23-016 Greenhouse Gas Reduction



Credit claimed on your tax return

3% of the credit - administrative fee

Remaining 30% must be deducted from the sale price

SB23-016 Greenhouse Gas Reduction



Consumer

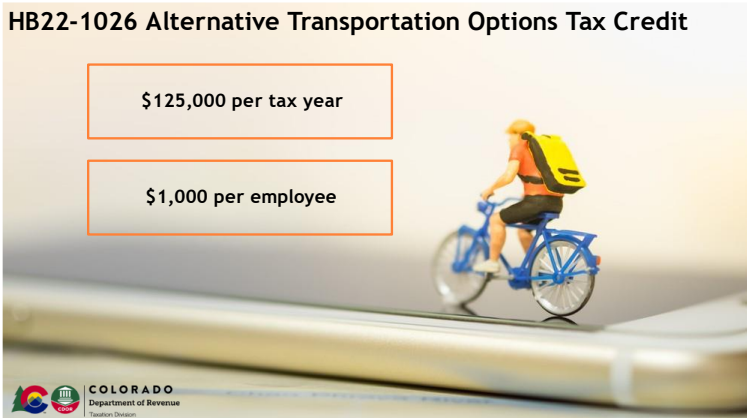
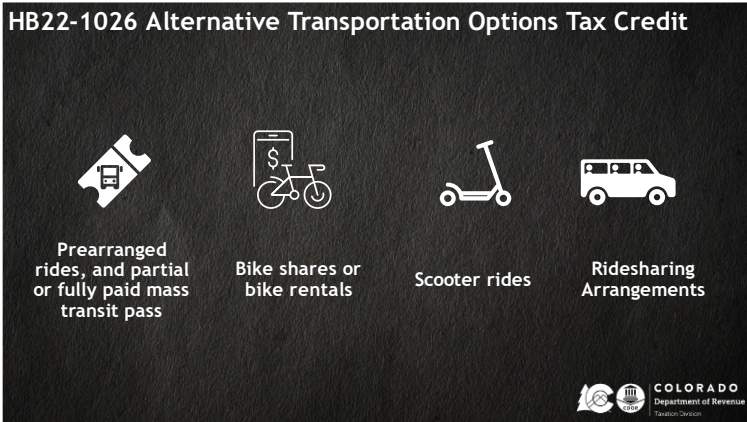
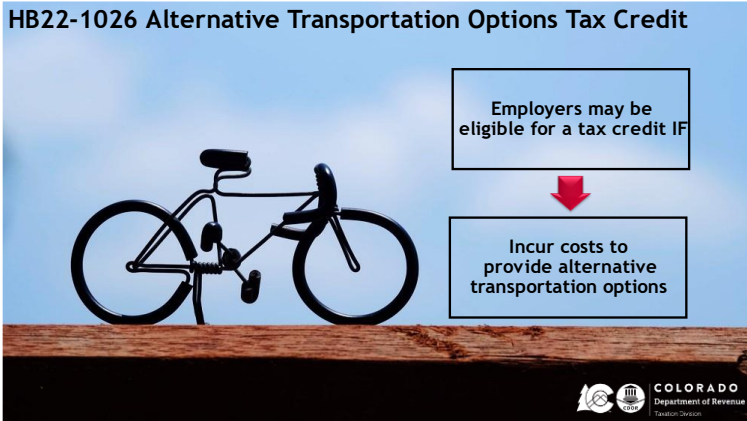
Markdown of 30%

Buying from a participating retailer

Horizontal lines for handwritten notes.



HB22-1026: <https://leg.colorado.gov/bills/hb22-1026>



Series of horizontal lines for handwritten notes.



HB22-1026 Alternative Transportation Options Tax Credit




DR 1323 - Annual Employer Plan Report

COLORADO Department of Revenue Taxation Division

HB22-1320 Achieving A Better Life Experience (ABLE) Savings Accounts



HB22-1320:
<https://leg.colorado.gov/bills/hb22-1320>

HB22-1320 Achieving A Better Life Experience (ABLE) Savings Accounts



HB22-1320 Achieving A Better Life Experience (ABLE) Savings Accounts

- Opened in your name and distributed on behalf of a disabled loved one
- ↓
- Disabled loved one must also be the designated beneficiary of the account
- ↓
- Funds withdrawn must be used for expenses related to that designated beneficiary's disability

COLORADO Department of Revenue Taxation Division





HB22-1320 Achieving A Better Life Experience Savings Accounts

New subtraction can be claimed on the form DR 0104AD - Individual Income Tax Subtractions Schedule

↓

Valid for income tax years 2023-2025

COLORADO
Department of Revenue
Taxation Division

HB22-1414 Healthy Meals For All Public School Students

COLORADO
Department of Revenue
Taxation Division

HB22-1414:
<https://leg.colorado.gov/bills/hb22-1414>

HB22-1414 Healthy Meals For All Public School Students

Free school meals to all Colorado children attending public schools

COLORADO
Department of Revenue
Taxation Division

HB22-1414 Healthy Meals For All Public School Students

New deduction cap for individual taxpayers whose Federal AGI is greater than \$300,000:


↓

\$12,000 for a single filer
\$16,000 for joint filers

COLORADO
Department of Revenue
Taxation Division



HB22-1414 Healthy Meals For All Public School Students




Federal deductions exceed the caps and you exceed the income thresholds

↓

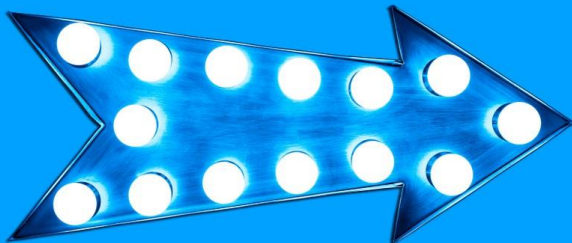
Add back the amount to your Colorado return


↓

Tax collected on the income is diverted to the Healthy Meals Program

 COLORADO Department of Revenue Taxation Division

HB23-1240 Sales Use Tax Exemption Wildfire Disaster Construction



 COLORADO Department of Revenue Taxation Division

HB23-1240:
<https://leg.colorado.gov/bills/hb23-1240>



HB23-1240 Sales Use Tax Exemption Wildfire Disaster Construction

Refund of state, RTD, SCFD sales tax

↓

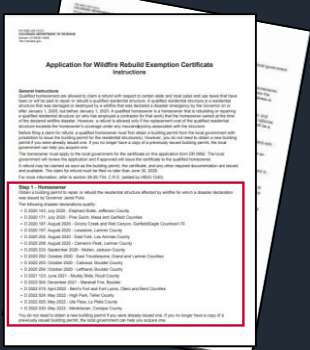
Rebuilding or repairing a residential structure

↓


Wildfire in calendar year 2020, 2021, or 2022

 COLORADO Department of Revenue Taxation Division

HB23-1240 Sales Use Tax Exemption Wildfire Disaster Construction



DR 0992 - Application for Wildfire Rebuild Exemption Certificate

 COLORADO Department of Revenue Taxation Division



HB23-1240 Sales Use Tax Exemption Wildfire Disaster Construction

Refund allowed only IF

Replacement cost exceeds the homeowner's coverage

TAX REFUND

COLORADO Department of Revenue Taxation Division

HB23-1240 Sales Use Tax Exemption Wildfire Disaster Construction

Refund of 4% of the estimated construction and building materials cost listed on the building permit

Qualified homeowners should apply for a Wildfire Rebuild Exemption Certificate from their local government with a copy of their building permit

COLORADO Department of Revenue Taxation Division

HB23-1240 Sales Use Tax Exemption Wildfire Disaster Construction

Obtain a building permit

Complete and file form DR 0992

Authorized official will complete form DR 0993

Complete section 6 of form DR 0993

COLORADO Department of Revenue Taxation Division

HB23-1015 Taxation Tobacco Products Remote Retail Sellers

COLORADO Department of Revenue Taxation Division

HB23-1015:
<https://leg.colorado.gov/bills/hb23-1015>

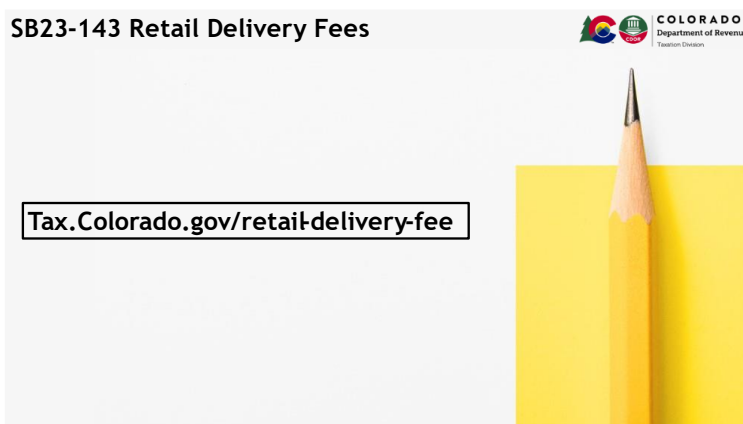


HB23-1015 Taxation Tobacco Products Remote Retail Sellers





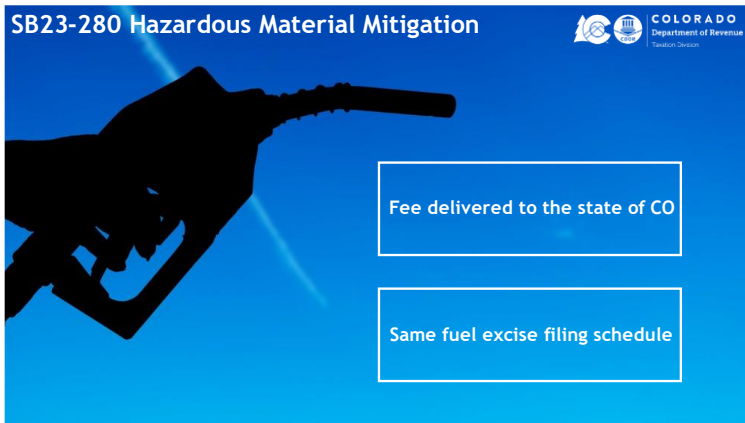
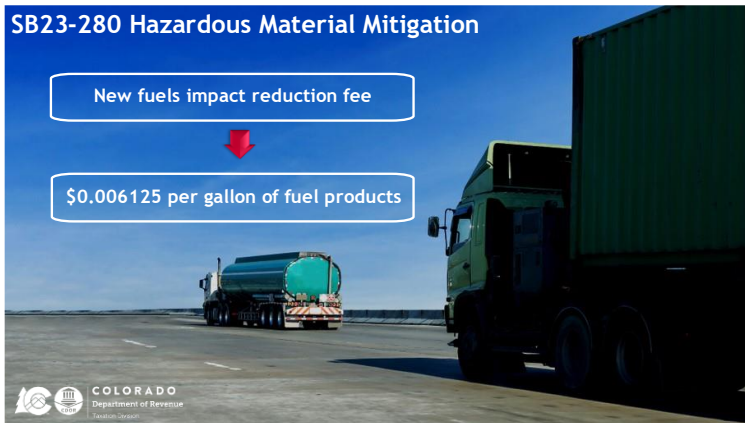
SB23-143:
<https://leg.colorado.gov/bills/sb23-143>



Retail Delivery Fees Webpage:
<https://tax.colorado.gov/retail-delivery-fee>



SB23-280:
<https://leg.colorado.gov/bills/sb23-280>





SB23B-003 Identical Temporary TABOR Refund



SB23B-003 Identical Temporary TABOR Refund

Standard Method:

TABOR refund amount varies based on the taxpayer's federal adjusted gross income (AGI)



SB23B-003 Identical Temporary TABOR Refund

2022-2023 Fiscal Year:

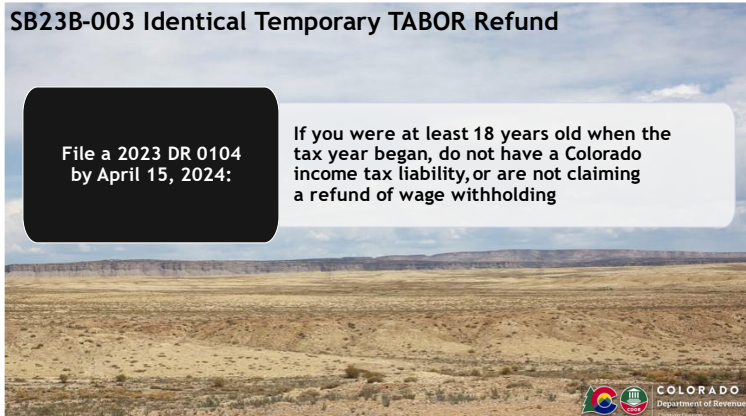
Identical TABOR refunds regardless of the taxpayer's federal adjusted gross income (AGI)



SB23B-003 Identical Temporary TABOR Refund

File a 2023 DR 0104 by April 15, 2024:

If you were at least 18 years old when the tax year began, do not have a Colorado income tax liability, or are not claiming a refund of wage withholding



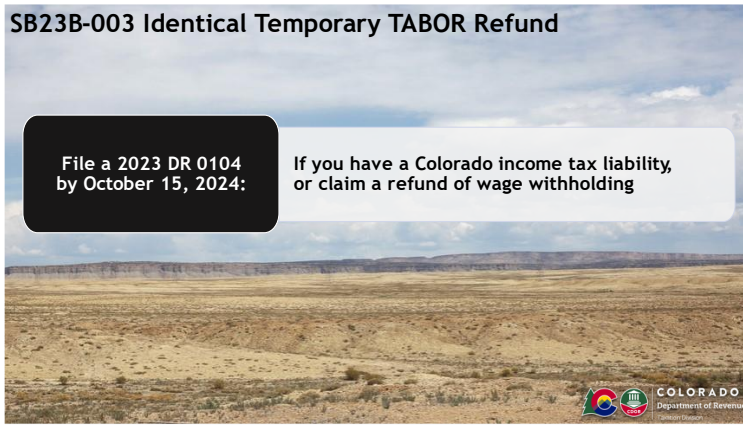
SB23B-003:

<https://leg.colorado.gov/bills/sb23b-003>

Lined area for notes



SB23B-003 Identical Temporary TABOR Refund

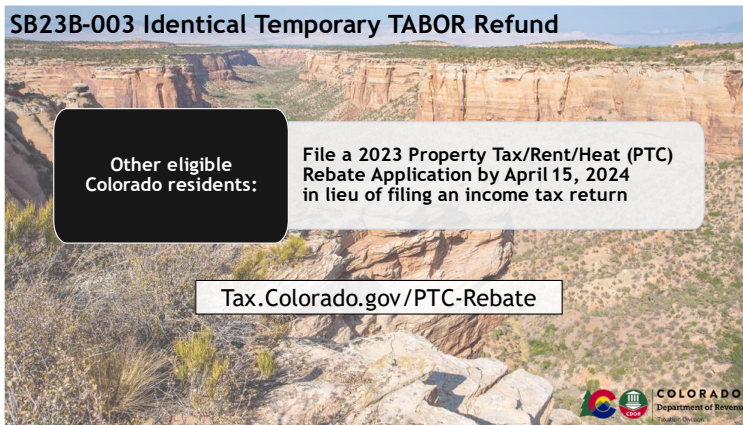


**File a 2023 DR 0104
by October 15, 2024:**

**If you have a Colorado income tax liability,
or claim a refund of wage withholding**



SB23B-003 Identical Temporary TABOR Refund



**Other eligible
Colorado residents:**

**File a 2023 Property Tax/Rent/Heat (PTC)
Rebate Application by April 15, 2024
in lieu of filing an income tax return**

[Tax.Colorado.gov/PTC-Rebate](https://tax.colorado.gov/PTC-Rebate)



HB23B-1002:
<https://leg.colorado.gov/bills/hb23b-1002>

HB23B-1002 Increased Earned Income Tax Credit 2023



HB23B-1002 Increased Earned Income Tax Credit 2023

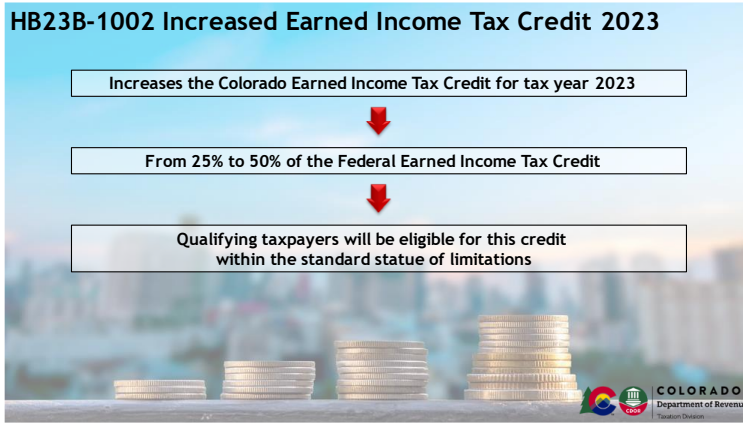
Increases the Colorado Earned Income Tax Credit for tax year 2023



From 25% to 50% of the Federal Earned Income Tax Credit



Qualifying taxpayers will be eligible for this credit
within the standard statute of limitations

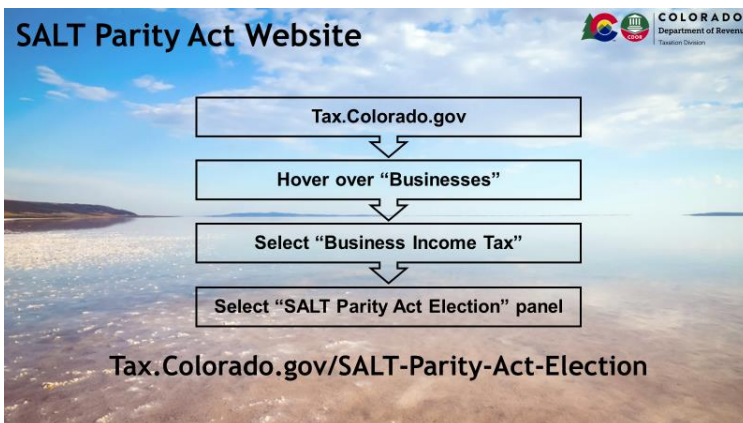






HB 21-1327: State And Local Tax Parity Act For Businesses
<https://leg.colorado.gov/bills/hb21-1327>

SB 22-124: SALT Parity Act
<https://leg.colorado.gov/bills/sb22-124>



SALT Parity Act Webpage:
<https://Tax.Colorado.gov/SALT-Parity-Act-Election>





Background



Tax Cuts and Jobs Act (TCJA): \$10,000 cap on the amount of state and local taxes (SALT) paid that an individual can deduct on their federal taxes

Limitation does NOT apply to C Corporations but does apply to owners of pass-through entities (S corporations and partnerships), creating a disparity

Background

Pass-through entities (S corporations and Partnerships) may elect to pay state and local taxes at the entity level to remove the disparity created by the TCJA

Election ONLY applies during tax years with a limitation on deductions allowed to individuals under §164 of the Internal Revenue Code, currently tax years 2018-2025



SALT Parity Act

SALT Parity Act (HB 21-1327, SB22-124)

Retroactive to tax years beginning on or after January 1, 2018

For 2018-2021, must make retroactive election between September 1, 2023 and June 30, 2024



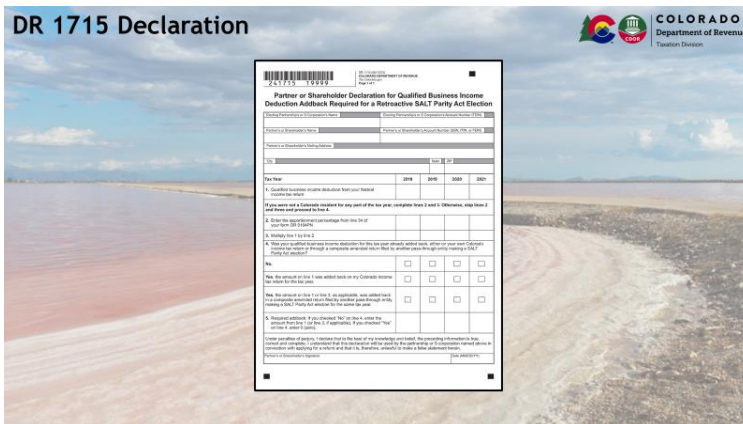
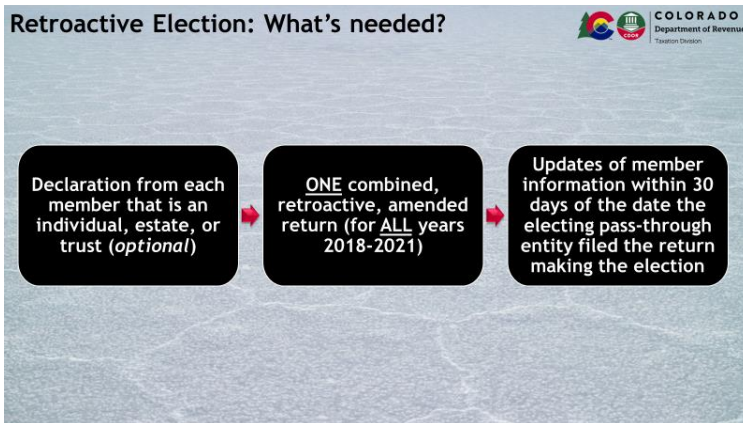
SALT Parity Act

Refundable credit equal to owner's share of the tax imposed on the electing pass-through entity

All other credits resulting from the activities of the electing pass-through entity are passed through and claimed by its owners

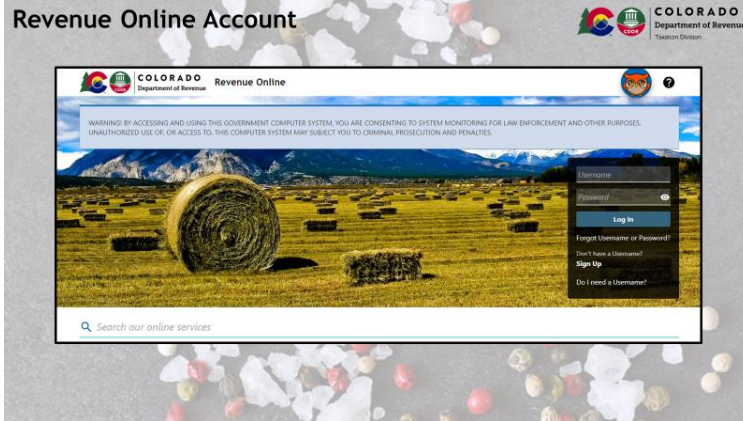


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Retroactive SALT Parity Act (2018-2021) Webpage: https://tax.colorado.gov/SALT-2018-2021



Business Revenue Online Account Set Up: <https://tax.colorado.gov/business-ROL-account>

How to Set Up a Business Revenue Online Account: <https://youtu.be/MVhNAMI-kpQ?feature=shared>

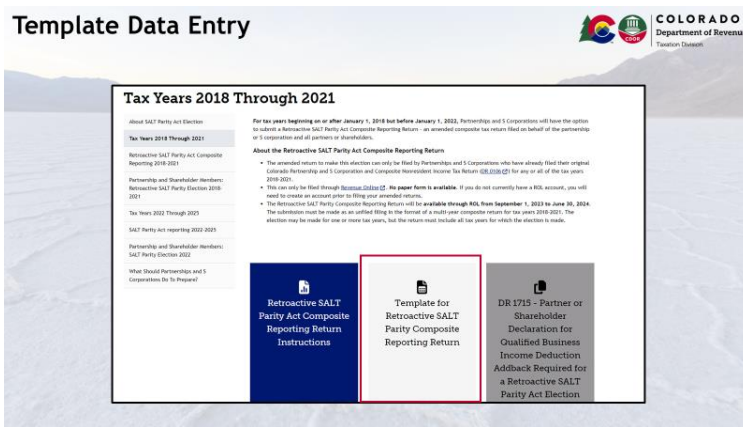


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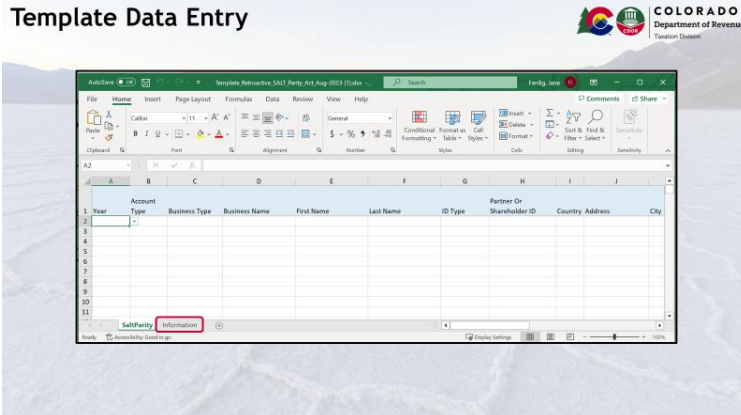
Tax Years 2018-2021 SALT Parity Election page: <https://tax.colorado.gov/SALT-2018-2021>

Horizontal lines for notes

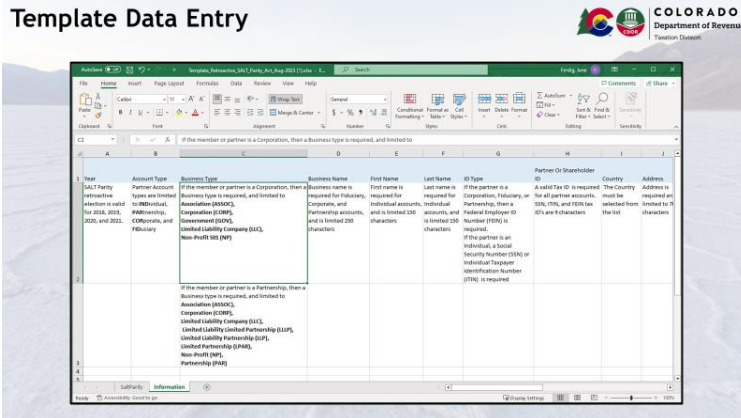




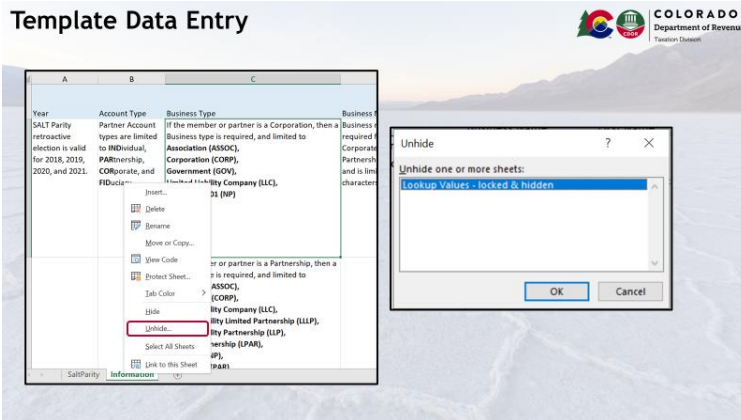
Template Data Entry



Template Data Entry



Template Data Entry



Template Data Entry



Series of horizontal lines for data entry.



SALT Parity Act Election



- Data entry ONLY
- Using copy-paste functions causes data validation processes to fail
- System cannot process template if the structure has been changed (Please do not rename or remove columns or sheets)
- Use individual workbooks for each pass-through entity account

Retroactive SALT Parity Act Election Walkthrough



Tax Years 2022 through 2025



- Colorado K-1s required to be filed with CDOR
- Copy given to each member
 - Income
 - Deductions
 - Modifications
 - Credits
- Due April 15th (or after the automatic six-month extension, if applicable)
- Spreadsheet upload on ROL
 - XML upload on ROL
 - Manual data entry on ROL
 - Paper form DR 1706 by mail



Filing Requirement Changes for Partnerships and S Corporations:
<https://tax.colorado.gov/filing-requirement-changes-for-partnerships-and-s-corporations>



SALT Parity Act Assistance

Resources for SALT Parity Act Elections:

- Training Resources
- Department Publications and Guidance
- Taxpayer Hotline 303-238-7378

[Tax.Colorado.gov/SALT-Parity-Act-Election](https://tax.colorado.gov/SALT-Parity-Act-Election)

Resources & Tools

- Tax.Colorado.gov Colorado.gov/RevenueOnline
- Taxpayer Helpline: 303-238-7378
- Local Offices via Walk-In/ Appointment
- FYI's & Guidance Publications
- Taxpayer Email: DOR_TaxpayerService@state.co.us

Practitioner Input Survey

WE WANT YOUR FEEDBACK!

Thank You!

The Tax Education & Training Resources:
<https://tax.colorado.gov/education>

The Department Publications and Guidance:
<https://tax.colorado.gov/guidance-publications>

SALT Parity Act Webpage:
<https://tax.colorado.gov/SALT-Parity-Act-Election>
