

Qualifying resident individuals may claim a refundable credit on their 2021, 2022, 2023, 2024, and 2025 Colorado income tax returns. The credit is a mechanism to refund tax revenue in excess of limits established by the Taxpayer's Bill of Rights amendment added to the Colorado Constitution in 1992.

This publication is designed to provide general guidance regarding the state sales tax refund credit and to supplement the guidance provided in the [Colorado Individual Income Tax Guide](#). Nothing in this publication modifies or is intended to modify Colorado's statutes or regulations. Taxpayers are encouraged to consult their tax advisors for guidance regarding specific situations.

## Qualifying individuals

Eligibility for the credit is based on requirements relating to residency, age, income tax, and wage withholding. Under certain circumstances, incarcerated individuals are not allowed to claim the credit, even if they satisfy all other applicable requirements.

### Residency requirements

The credit is allowed only to individuals who were domiciled in Colorado for the entire tax year. In the case of an individual who died during the tax year, they must have been domiciled in Colorado from January 1 of the tax year until the date of their death.

For guidance regarding domicile and how an individual's domicile is determined, please see Part 1 of the [Colorado Individual Income Tax Guide](#).

Anyone who was a part-year resident or nonresident of Colorado for the tax year does not qualify for the credit.

### Age, tax, and withholding requirements

Individuals who were not at least 18 years old before the tax year began may claim the credit only if one or both of the following conditions were met for the tax year:

- They have a Colorado income tax liability for the tax year; or
- They file a Colorado return for the tax year to claim a refund for income tax withheld from their wages.

Individuals who were at least 18 years of age before the tax year began and who satisfy all other applicable requirements qualify for the credit regardless of whether they had any Colorado wage withholding or Colorado income tax liability for the tax year.

### Incarcerated individuals

Individuals serving a sentence for a felony do not qualify for the credit if they were incarcerated for at least 180 days of the 12-month period ending on June 30 of the tax year. The 180 days of incarceration may be in a correctional facility operated by or under contract with the Colorado Department of Corrections or the Federal Bureau of Prisons.

## Amount of the credit

The allowable credit depends on the qualifying individual's filing status and adjusted gross income for the tax year. The adjusted gross income considered in determining the amount of the credit is the combined total of the following amounts:

- The individual's federal adjusted gross income for the tax year;
- The individual's social security benefits, if any, excluded from their federal adjusted gross income; and
- The individual's non-Colorado state and local bond interest, if any, required as an addition on their Colorado income tax return (see Part 3 of the [Colorado Individual Income Tax Guide](#)).

The following tables reflect the credit amounts allowed for tax years 2021, 2022, 2024, and 2025 based on the individual's filing status and adjusted gross income. For tax year 2023, the credit is a flat amount for all qualifying individuals, as described below. If a qualifying individual files a joint return with an individual who does not qualify for the credit is, they are allowed the same credit amount as single filers.

### Credit Amounts for Tax Year 2021

<i>Adjusted Gross Income</i>	<i>Credit for Single Filers</i>	<i>Credit for Joint Filers</i>
\$44,000 or less	\$37	\$74
\$44,001 - \$88,000	\$49	\$98
\$88,001 - \$139,000	\$56	\$112
\$139,001- \$193,000	\$68	\$136
\$193,001- \$246,000	\$74	\$148
\$246,001 or more	\$117	\$234

### Credit Amounts for Tax Year 2022

<i>Adjusted Gross Income</i>	<i>Credit for Single Filers</i>	<i>Credit for Joint Filers</i>
\$48,000 or less	\$153	\$306
\$48,001 - \$95,000	\$208	\$416
\$95,001 - \$151,000	\$234	\$468
\$151,001- \$209,000	\$285	\$570
\$209,001- \$268,000	\$300	\$600
\$268,001 or more	\$486	\$972

### Credit amount for tax year 2023

For tax year 2023, the credit amount for each qualifying individual is \$800. If two qualifying individuals file a joint return, they may claim a total credit of \$1,600.

### Credit Amounts for Tax Year 2024

<i>Adjusted Gross Income</i>	<i>Credit for Single Filers</i>	<i>Credit for Joint Filers</i>
\$53,000 or less	\$177	\$354
\$53,001 - \$105,000	\$240	\$480
\$105,001 - \$166,000	\$277	\$554
\$166,001- \$233,000	\$323	\$646
\$233,001- \$302,000	\$350	\$700
\$302,001 or more	\$565	\$1,130

### Credit Amounts for Tax Year 2025

<i>Adjusted Gross Income</i>	<i>Credit for Single Filers</i>	<i>Credit for Joint Filers</i>
\$52,000 or less	\$19	\$38
\$52,001 - \$105,000	\$25	\$50
\$105,001 - \$168,000	\$29	\$58
\$168,001 - \$233,000	\$35	\$70
\$233,001 - \$299,000	\$37	\$74
\$299,001 or more	\$59	\$118

### Claiming the credit

Qualifying individuals may claim the credit by filing a [Colorado Individual Income Tax Return \(DR 0104\)](#) or a [Colorado PTC Application \(DR 0104PTC\)](#). A qualifying individual must file their return or application claiming the credit by the October 15<sup>th</sup> extended filing deadline. If the allowable credit exceeds the qualifying individual's tax liability, the excess will be refunded to them.

### Additional resources

The following is a list of statutes, rules, forms, and guidance pertaining to the state sales tax refund credit. This list is not, and is not intended to be, an exhaustive list of authorities that govern the tax treatment of every situation. Individuals and businesses with specific questions should consult their tax advisors. Additionally, these statutes have been amended in recent years and individuals should consult the version in effect for the tax year at issue to determine applicable requirements.

#### Statutes and rules

- § 39-22-2003, C.R.S. State sales tax refund - offset against state income tax - qualified individuals.
- § 39-22-2005. Refund of excess state revenues from all sources - definitions - repeal.
- Rule 39-22-2005. Refund of Remaining Excess Revenues from State Fiscal Year 2022-2023 Only.

#### Forms and guidance

- [Tax.Colorado.gov](https://tax.colorado.gov)
- [Tax.Colorado.gov/TABOR](https://tax.colorado.gov/TABOR)
- [Tax.Colorado.gov/individual-income-tax-forms](https://tax.colorado.gov/individual-income-tax-forms)
- [Colorado Individual Income Tax Return \(DR 0104\)](#)
- [Tax.Colorado.gov/PTC-rebate](https://tax.colorado.gov/PTC-rebate)
- [Colorado PTC Application \(DR 0104PTC\)](#)
- [Colorado Individual Income Tax Guide](#)