

# 2022 Legislative Session Wrap-up and 2022 Implementation Notes

## Bills Passed During the 2022 Legislative Session with Implementation Requirements

The Taxation division will be involved in form changes, process changes, training, rulemaking, communication and outreach, and/or system updates as a result of these bills.

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## 2022 Income/Severance Tax

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-051</a> <a href="#">Policies To Reduce Emissions From Built Environment</a>
<b>Bill Summary:</b>	This bill creates two new sales and use tax expenditures (one for air source and ground source heat pumps that are used in commercial or residential buildings that begins 7/1/23 and one for decarbonizing building materials that begins 7/1/24), there is also a local opt-in for each expenditure. An amendment to this bill creates a tax credit for 10% of expenses for heat pumps, similar to the tax credit proposed for SB22-138
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	TY 2023-2025
<b>Forms Affected:</b>	DR 0104CR
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-124</a> <a href="#">SALT Parity Act</a>
<b>Bill Summary:</b>	<p>This bill makes the provisions of the SALT Parity Act (HB 21-1327) retroactive to tax years beginning on or after January 1, 2018. Electing entities must make the retroactive election for tax years 2018-2021 on or after September 1, 2023 but before July 1, 2024.</p> <p>The bill also repeals the subtraction created by HB 21-1327 and instead creates a refundable credit equal to the electing pass-through entity owner’s distributive share of the income tax imposed on the electing pass-through entity. In addition, the bill specifies that any credits attributable to the activities of an electing entity must be passed through to and claimed by the electing entity owners.</p> <p>The requirement for an electing pass-through entity to make estimated payments under section 39-22-606 does not apply for income tax years commencing prior to January 1, 2023.</p>
<b>Bill Effective Date:</b>	May 16, 2022
<b>Tax Year or Filing Period Effective Date:</b>	The retroactive election for tax years 2018-2021 must be made on or after September 1, 2023 but before July 1, 2024.
<b>Forms Affected:</b>	<ul style="list-style-type: none"> <li>● New combined reporting form for the retroactive election</li> <li>● DR 0104CR, DR 0112CR, DR 0105, DR 0106</li> </ul>
<b>SQR’s Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	Yes
<b>Other notes:</b>	The new combined reporting form will only be available via ROL.

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-166</a> <a href="#">Nongame Conservation Check-off Extension</a>
<b>Bill Summary:</b>	This bill extends the Colorado Nongame Conservation and Wildlife Restoration Cash Fund voluntary contribution indefinitely by removing the sunset clause. This check-off will remain on the DR 0104CH as long as the statutory collection minimum is met.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	No
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	N/A
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-208</a> <a href="#">Condemned Conservation Easement Property Compensation</a>
<b>Bill Summary:</b>	Changes procedures for how condemned properties are valued for the purposes of conservation easements. Because we accept these values based on a different agency, this is NFI for TAX.
<b>Bill Effective Date:</b>	June 7, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-217</a> <a href="#">Programs That Benefit Person With Disabilities</a>
<b>Bill Summary:</b>	This bill modifies the existing certified auction group license fee credit by granting the Colorado Disability Funding Committee the authority to certify the credits and specifying that the amount of the credit is equal to 20% of the purchase price of the motor vehicle registration number.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	DR 0104CR, DR 0105, DR 0106CR, DR 0112CR: Updated line descriptions to reflect that the Disability Funding Committee will certify any credits
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	



<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1005</a> <a href="#">Health-care Preceptors Tax Credit</a>
<b>Bill Summary:</b>	Increases the number of individuals who can claim the Rural and Frontier Health Care Preceptors Credit from 200 to 300 and reduces eligibility requirements.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	Extends Credit from 2023 to 2033.
<b>Forms Affected:</b>	DR 0366
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	The list of eligible professions for this credit has been expanded and we have removed the previous six categories in the form and taken the expanded list and put it in the instructions for the form.

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1007</a> <a href="#">Assistance Landowner Wildfire Mitigation</a>
<b>Bill Summary:</b>	The bill changes the wildfire mitigation deduction into a credit with a \$625/filing cap, the deduction falls off and the credit turns on with ITY 2023.
<b>Bill Effective Date:</b>	June 3, 2022
<b>Tax Year or Filing Period Effective Date:</b>	ITY 2023
<b>Forms Affected:</b>	DR 0104AD, DR 0104CR
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1010</a> <a href="#">Early Childhood Educator Income Tax Credit</a>
<b>Bill Summary:</b>	<p>This bill creates a refundable income tax credit for eligible early childhood educators. Eligible early childhood educators are individuals with a federal AGI less than or equal to \$75,000 (single filers) or \$150,000 (joint filers) that hold an early childhood professional credential for at least part of the income tax year and are either the licensee of an eligible program or employed by an eligible program for at least six months of the income tax year. The credit amount is based on the highest credential level held by the eligible educator during the income tax year. Credit amounts will be adjusted for inflation for income tax years 2023-2025.</p> <p>The Department of Human Services is required to provide DOR with a report of all individuals who held early childhood professional credentials during the previous calendar year.</p>
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	ITY 2022-2025
<b>Forms Affected:</b>	<ul style="list-style-type: none"> <li>● DR 0104CR</li> <li>● New affidavit to collect taxpayer information</li> </ul>
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	Yes
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1016</a> <a href="#">Voluntary Contribution Check-off Feeding Colorado</a>
<b>Bill Summary:</b>	This bill creates the Feeding Colorado voluntary contribution check-off. There is currently an available line on the DR 0104CH and no other voluntary contribution funds in the queue, so this check-off will be added to the form for tax year 2022.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	TY 2022
<b>Forms Affected:</b>	DR 0104CH
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	No
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1026</a> <a href="#">Alternative Transportation Options Tax Credit</a>
<b>Bill Summary:</b>	Replaces a deduction for alt transp options for employers with a credit and includes reporting requirements.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	ITY 2023
<b>Forms Affected:</b>	DR 0104CR, DR 0106CR, DR 0112CR
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1051</a> <a href="#">Mod Affordable Housing Tax Credit</a>
<b>Bill Summary:</b>	Increases the cap available for the Affordable Housing Credit from \$10 million to \$15 million and extends the credit until 2034 (currently expires in 2024). The expansion was confirmed to be able to be processed and reviewed with existing resources, NFI.
<b>Bill Effective Date:</b>	May 26, 2022
<b>Tax Year or Filing Period Effective Date:</b>	TY 2022 until TY 2034
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1083</a> <a href="#">Colorado Homeless Contribution income Tax Credit</a>
<b>Bill Summary:</b>	Transfers the homeless prevention of the enterprise zone credit and makes the credit available statewide. This transfers responsibility for the credit certificates from OEDIT to DOLA. TAX filed a technical requesting data sharing language similar to that found in the enterprise zone section which was not present on the first draft of the bill. No workload impacts the business, but a total of \$27,750 for GenTax programming.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	TY 2023-31
<b>Forms Affected:</b>	DR 0104CR, DR 0106CR, DR 0112CR
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	This change will affect the credit schedules for Income, Partnership and Corporate credit schedules beginning in Tax Year 2023.

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1310</a> <a href="#">529 Account Apprenticeship Expenses</a>
<b>Bill Summary:</b>	Conforms to the federal definition of "eligible higher education expenses" which would include apprenticeships and private K-12 expenses. We have submitted a technical to correct the language to apprenticeships only which appears to be the sponsors intent. May result in some additional 529 reviews for the Discovery section.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	TY 2023
<b>Forms Affected:</b>	DR 0104
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	



<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1320</a> <a href="#">Achieving A Better Life Experience Savings Accounts</a>
<b>Bill Summary:</b>	Allows for distributions from ABLE savings accounts claimed at the federal level to be deducted from Colorado taxes for qualified expenses.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	ITY 2022
<b>Forms Affected:</b>	DR 0104AD
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	A line is being added to the DR 0104AD for this year.

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1414</a> <a href="#">Healthy Meals For All Public School Students</a>
<b>Bill Summary:</b>	<p>If approved by voters at the 2022 general election, this bill will modify the itemized deduction addback (effective TY 2022 under HB 21-1311) by applying the addback to both itemized deductions and the standard deduction for taxpayers with an AGI of \$300,000 or higher. The standard deduction and itemized deductions will be capped at \$12,000 for single filers and \$16,000 for joint filers.</p> <p>Revenue generated by the change is appropriated to fund the Healthy School Meals For All program. If the program is repealed, these changes to the addback no longer apply.</p>
<b>Bill Effective Date:</b>	Referendum
<b>Tax Year or Filing Period Effective Date:</b>	If approved by voters, ITY 2023
<b>Forms Affected:</b>	DR 0104 and DR 0104X
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	Yes
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1119</a> <a href="#">Colorado False Claims Act</a>
<b>Bill Summary:</b>	The bill creates a civil penalty and process around making false claims for benefits from the state. Tax claims are explicitly excluded from the provisions of the bill.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1149</a> <a href="#">Advanced Industry Investment Tax Credit</a>
<b>Bill Summary:</b>	<p>This bill extends the advanced industry income tax credit through income tax year 2026, and the total amount of credits that may be issued by OEDIT is increased to \$4 million for calendar years 2023-2026.</p> <p>The total amount of a tax credit for a qualified investment is increased to \$100,000, and the credit amount is increased to 35% of the qualified investment if the qualified small business is located in a rural area or economically distressed area of the state.</p> <p>The tax credit can now be allocated among members of a pass-through entity in any manner agreed to by the members. The bill also clarifies that a pass-through entity applicant must provide a written authorization to allow DOR to provide tax information to OEDIT.</p>
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	Credit is extended through income tax year 2026
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	N/A
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1205</a> <a href="#">Senior Housing Income Tax Credit</a>
<b>Bill Summary:</b>	<p>This bill creates an income tax credit for one year that is available to seniors 65 and older who have an adjusted gross income of less than or equal to \$75,000 and did not claim the senior homestead property tax exemption.</p> <p>The maximum credit amount is \$1,000, and the credit amount phases out as AGI increases above \$25,000. For every \$500 of AGI above \$25,000, the credit amount is reduced by \$10.</p>
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	ITY 2022
<b>Forms Affected:</b>	DR 0104CR
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	Line addition to the DR 0104CR is currently being implemented for Year-End.

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1361</a> <a href="#">Oil And Gas Reporting</a>
<b>Bill Summary:</b>	The bill requires DOR to provide three data sets to the OSA in order for them to conduct a performance audit on a sample of OGS operators.
<b>Bill Effective Date:</b>	June 8, 2022
<b>Tax Year or Filing Period Effective Date:</b>	2023
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1391</a> <a href="#">Modifications To Severance Tax</a>
<b>Bill Summary:</b>	This bill makes changes to the ad valorem tax credit beginning in TY 2025.  The bill also requires DOR to participate in a severance tax working group to make recommendations for other changes to the severance tax.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	ITY 2025
<b>Forms Affected:</b>	DR 0021PD
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	Yes
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1392</a> <a href="#">Contaminated Land Income Tax &amp; Property Tax Credit</a>
<b>Bill Summary:</b>	Extends the Contaminated Land income tax credit, raises the cap and includes a separate cap for credits issued to qualified entities in rural areas. Given the small population, no staffing impacts, but DOR is asking for some programming money to get the differentiated credits into the business credit manager.
<b>Bill Effective Date:</b>	June 7, 2022
<b>Tax Year or Filing Period Effective Date:</b>	TY2022 and onward
<b>Forms Affected:</b>	DR 0348 and DR 0349
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	This legislation has necessitated some changes to the DR 0348 and DR 0349. These changes are currently in-progress as part of year-end activities.



## 2022 TABOR

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#"><u>SB 22-233</u></a> <a href="#"><u>TABOR Refund Mechanism For FY 2021-22 Only</u></a>
<b>Bill Summary:</b>	<p>The bill creates a one-year, one-time TABOR refund mechanism for fiscal year 2021-22 for qualified individuals (at least 18 years old and a resident of CO for the entire income tax year commencing on January 1, 2021). To receive the TABOR refund, taxpayers must file their state income tax return or apply for a PTC rebate by June 30, 2022 (or October 17, 2022 for extension filers).</p> <p>The bill sets the refund amount at \$400 for single filers and \$800 for joint filers, but these amounts may be adjusted based on projects for actual state revenues received through April 30, 2022.</p> <p>Checks for taxpayers who file by June 30 must be issued no later than September 30, 2022. Checks for extension filers must be issued no later than January 31, 2023.</p>
<b>Bill Effective Date:</b>	May 23, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

## 2022 Sales/Use Tax Legislation

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-006</a> <a href="#">Sales Tax Assistance For Small Bus</a>
<b>Bill Summary:</b>	For sales made during the 2023 calendar year, increases the vendor fee allowable for taxpayers with taxable sales <\$100k/month will increase to 5.3%
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-032</a> <a href="#">Simplify Local Sales &amp; Use Tax Administration</a>
<b>Bill Summary:</b>	Requires the state to use SUTS to create/allow a universal statewide retail business license and requires local governments to NOT charge a fee for a local license if a business has a statewide license and no physical presence in the local jurisdiction.
<b>Bill Effective Date:</b>	April 21, 2022
<b>Tax Year or Filing Period Effective Date:</b>	SUTS changes due by July 1, 2023 for universal license
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	TAX anticipates that much of the work for this bill will be done in consultation with local governments, some official guidance may eventually be posted to the website.
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1024</a> <a href="#">Sales and Use Tax Exemption Municipal Public School Construction</a>
<b>Bill Summary:</b>	The bill requires home rule jurisdictions to exempt the sale of construction and building materials that are used for the building, alteration, or repair of a public school.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	Act subject to petition, effective upon date of passage
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1025</a> <a href="#">Repeal of Infrequently Used Tax Expenditures</a>
<b>Bill Summary:</b>	The is a bill from the legislative oversight committee concerning tax policy that repeals a number of infrequently used tax expenditures. For the full list of repealed expenditures, see the bill summary by clicking on the bill link above.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1027</a> <a href="#">Sales Tax Destination Sourcing Rules Exception</a>
<b>Bill Summary:</b>	Extends the expiration date of origin sourcing exception further.
<b>Bill Effective Date:</b>	January 31, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1039</a> <a href="#">Sales &amp; Use Tax Exemption Form Simplification</a>
<b>Bill Summary:</b>	This bill requires DOR to review and, where possible, consolidate and/or simplify the forms and applications for certain sales and use tax exemptions.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	Initial form simplification must be completed on or before July 1, 2023.
<b>Forms Affected:</b>	Unknown at this time. Forms will be reviewed and potentially updated as part of the yearly forms update process.
<b>SQR's Expected:</b>	Unknown at this time
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	Unknown at this time
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1055</a> <a href="#">Sales Tax Exemption Essential Hygiene Products</a>
<b>Bill Summary:</b>	Expands the sales tax exemption for medical devices and prescriptions to include feminine hygiene products and diapers.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	



<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1070</a> <a href="#">Special Districts Early Childhood Development</a>
<b>Bill Summary:</b>	This bill allows an early childhood development service district to include a portion of a special district, city, county, or other taxing district.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	January 1, 2023
<b>Forms Affected:</b>	DR 0100
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	Yes
<b>Other notes:</b>	This is necessitating some large changes to the Sales Tax form to accommodate these new special districts.

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1118</a> <a href="#">Sales &amp; Use Tax Refund</a>
<b>Bill Summary:</b>	<p>This is a Department bill that changes when interest is accrued on sales and use tax refund claims. Interest will begin accruing from the date the refund claim is filed (instead of the purchase date).</p> <p>The bill also creates civil penalties for claims that are materially incomplete, duplicative, and/or lack a reasonable basis in law or in fact.</p> <p>Incomplete claims are defined by the bill as a claim that “does not include the form and substantially all of the pertinent data, information, and documentation required” by statute and/or rule. Before assessing a penalty for an incomplete claim, DOR is required to notify the purchaser or preparer that the claim appears to be incomplete and specify what information or documentation appears to be missing. The purchaser or preparer then has 60 days to either correct or withdraw the refund claim before DOR assesses the penalty.</p>
<b>Bill Effective Date:</b>	April 21, 2022
<b>Tax Year or Filing Period Effective Date:</b>	Sales made on or after July 1, 2022 but before July 1, 2026
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	Yes
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1242</a> <a href="#">Regulate Tiny Home Manufacture Sale And Install</a>
<b>Bill Summary:</b>	<p>This bill adds tiny homes to the sales and use tax exemption for manufactured homes.</p> <p>“Tiny home” is defined by the bill as a structure that (1) is permanently constructed on a vehicle chassis, (2) is designed for long-term residency, (3) includes electrical, mechanical, or plumbing services that are fabricated, formed, or assembled at a location other than the site of the completed home, (4) is not self-propelled, and (5) has a square footage of not more than 400 square feet.</p>
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	Sales on or after the effective date of the bill
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	Yes
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1312</a> <a href="#">Modifications To Sales Tax Statutes To Address Defects</a>
<b>Bill Summary:</b>	Statutory Revision Committee bill - repeals an expired exemption that is no longer covered under the statute of limitations and correct erroneous cross-references.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1406</a> <a href="#">Qualified Retailer Retain Sales Tax</a>
<b>Bill Summary:</b>	<p>This bill renews the sales tax deduction and retention from HB 21-1265 for an additional three months. The temporary sales tax deduction and retention is available for restaurants, bars, mobile food vendors, caterers, food service contractors, and hotel food and drinking services. This applies to sales made in July, August, and September 2022 (returns filed in August, September, and October 2022).</p> <p>Qualifying retailers may deduct up to \$70,000 each month from state net taxable sales for up to five locations.</p> <p>DOR is required to report the number of retailers claiming the deduction and the sales tax revenue attributable to the bill “to the extent information is available and without changing the sales tax return form.”</p>
<b>Bill Effective Date:</b>	June 3, 2022
<b>Tax Year or Filing Period Effective Date:</b>	Sales tax returns filed in August, September, and October 2022
<b>Forms Affected:</b>	None
<b>SQR’s Expected:</b>	SQR 54606: Sends one-time mailing through GenTax to an identified population of businesses expected to be eligible for the sales tax deduction
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	Updated guidance and instructions are available on the Tax website at: <a href="http://tax.colorado.gov/sales-tax-relief">tax.colorado.gov/sales-tax-relief</a>
<b>Other notes:</b>	

## 2022 Excise Tax (and fee) Legislation

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-178</a> <a href="#">Licensees Ability To Change Marijuana Designation</a>
<b>Bill Summary:</b>	Allows cultivations facilities to change their designation from medical to retail marijuana. Clarifies that retail marijuana facilities must pay an excise tax. NFI
<b>Bill Effective Date:</b>	May 26, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-205</a> <a href="#">Intoxicating Hemp and Tetrahydrocannabinol Products</a>
<b>Bill Summary:</b>	
<b>Bill Effective Date:</b>	May 31, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	The bill requires a report on intoxicating hemp products with legislative recommendations. Depending on the recommendations and subsequent action from the report, this may result in changes to MED and Excise Tax but none are required currently as a result of the bill.

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1017</a> <a href="#">Increase Alcohol Beverage Excise Tax Exemption</a>
<b>Bill Summary:</b>	Increases the amounts of liquor from foreign countries exempt from excise tax. NFI for Tax.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	The DR 0449 is the form of reference for such declarations, but the form does not contain the limits that have changed and therefore does not need any updates as a result of this bill.



<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1295</a> <a href="#">Department Early Childhood And Universal Preschool Program</a>
<b>Bill Summary:</b>	Removes programs from CDHS and CDE related to early childhood education and relocates them to a newly created Department of Early Childhood. Makes changes to the cigarette tax distribution such that the Department of Early Childhood gets the funding as opposed to their predecessor department.
<b>Bill Effective Date:</b>	April 25, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1311</a> <a href="#">Correct Defects With Gas Special Fuel Tax</a>
<b>Bill Summary:</b>	Statutory Revision Committee bill - corrects two erroneous omissions from definitions that occurred in statute when HB21-1322 was passed last session to ensure that there are no changes by mistake to the taxability of fuel products.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1351</a> <a href="#">Temporarily Reduce Road User Charges</a>
<b>Bill Summary:</b>	This bill delays the road usage fee on gas and special fuel from a July 1, 2022 start date to an April 1, 2023 start date.
<b>Bill Effective Date:</b>	May 16, 2022
<b>Tax Year or Filing Period Effective Date:</b>	April 1, 2023
<b>Forms Affected:</b>	N/A - Incorporated into the rollout schedule of the fuels project
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	Yes, as part of HB 21-260 implementation
<b>Other notes:</b>	

## 2022 Tax Administrative Legislation

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-191</a> <a href="#">Procurement of Information Technology Resources</a>
<b>Bill Summary:</b>	Requires technology resources to come from the Office of Information Technology, unless an agency has prior approval from the office. NFI for Tax
<b>Bill Effective Date:</b>	June 8, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	TAX has spoken with our liaison at OIT and confirmed that our existing contracts with FAST are not affected by this new change in legislation. Official guidance from OIT is expected in the coming months.

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1088</a> <a href="#">Peace Officer Status For Certain Department Of Revenue Employees</a>
<b>Bill Summary:</b>	This bill allows certain DOR employees (criminal tax agents and DMV) to have peace officer status/training.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

## 2022 Interest or Watch Legislation

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-013</a> <a href="#">Boards and Commissions</a>
<b>Bill Summary:</b>	Sets new guidelines for several committees/boards/councils, etc throughout the state.
<b>Bill Effective Date:</b>	February 25, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-086</a> <a href="#">Homestead Exemption and Consumer Debt Protection</a>
<b>Bill Summary:</b>	This bill expands the homestead exemption for property tax and changes the definition of dwelling.
<b>Bill Effective Date:</b>	April 7, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-113</a> <a href="#">Artificial Intelligence Facial Recognition</a>
<b>Bill Summary:</b>	The bill creates a task force to study the use of artificial intelligence by state and local agencies and present a report to the JTC annually, the bill also limits the use of facial recognition software.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	



<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-139</a> <a href="#">Juneteenth New State Holiday</a>
<b>Bill Summary:</b>	This bill establishes Juneteenth (June 19) as a state legal holiday.
<b>Bill Effective Date:</b>	May 2, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	None
<b>SQR's Expected:</b>	Yes (SQR# 54541)
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	None
<b>Other notes:</b>	Requires some programming in GenTax to add the holiday. See SQR for more details.

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-222</a> <a href="#">Amount Of Tax Owed Table For Initiatives</a>
<b>Bill Summary:</b>	If a measure changes the income tax rate, this bill requires LCS and the Title Board to include a table that shows the estimated effect of the change on the tax owed by individuals in different income categories.
<b>Bill Effective Date:</b>	Referendum
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	N/A
<b>Other notes:</b>	Tax anticipates that ORA will receive reporting requests from LCS to help with creating the tables.

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">SB 22-232</a> <a href="#">Creation Of Colorado Workforce Housing Trust Authority</a>
<b>Bill Summary:</b>	Creates a workforce housing board, trust and grants this trust the authority to issue bonds. TAX is not mentioned and no forms are changed as a result, so NFI.
<b>Bill Effective Date:</b>	June 3, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HCR 22-1005</a> <a href="#">New 23rd Judicial District Judges</a>
<b>Bill Summary:</b>	Referred measure to allow the governor to appoint judges to the new 23rd Judicial District from judges currently serving in the 18th Judicial District.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1098</a> <a href="#">Department of Regulatory Agencies Barriers To Practice Regulated Professions</a>
<b>Bill Summary:</b>	Requires state to give notice to any individual who is denied a state license for a criminal history. NFI for TAX as we do not deny any licenses based on a criminal record.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1117</a> <a href="#">Use of Local Lodging Tax Revenue</a>
<b>Bill Summary:</b>	Aligns the filing frequencies for lodging tax with sales tax
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	
<b>Forms Affected:</b>	
<b>SQR's Expected:</b>	No
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1165</a> <a href="#">Rule Review Bill</a>
<b>Bill Summary:</b>	This bill extends state agency rules that were adopted or amended between November 1, 2020 and November 1, 2021. All DOR rules adopted or amended during this timeframe are extended.
<b>Bill Effective Date:</b>	April 25, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	N/A
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1297</a> <a href="#">Daylight Saving Time Year Round</a>
<b>Bill Summary:</b>	This bill makes daylight saving time the year-round standard time in Colorado if a federal law is enacted that allows states to remain on daylight saving time year round and at least four states in the Mountain Standard Time Zone make daylight saving time the year-round standard time.
<b>Bill Effective Date:</b>	August 9, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	N/A
<b>Other notes:</b>	



<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1304</a> <a href="#">State Grants Investments Local Affordable Housing</a>
<b>Bill Summary:</b>	Creates a grant program administered by Division of Local Affairs and Housing. NFI for TAX.
<b>Bill Effective Date:</b>	June 1, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 22-1411</a> <a href="#">Money From Coronavirus State Fiscal Recovery Fund</a>
<b>Bill Summary:</b>	Creates funds related to federal COVID recovery distributions. Makes a slight change to ARPA reporting requirements (requiring increases as well as decreases in reporting). NFI for TAX.
<b>Bill Effective Date:</b>	May 27, 2022
<b>Tax Year or Filing Period Effective Date:</b>	N/A
<b>Forms Affected:</b>	N/A
<b>SQR's Expected:</b>	N/A
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	
<b>Other notes:</b>	Functionally, the language in the bill requiring the department of revenue to report about funds is in line with our current practices.

# Bills Passed During Prior Legislative Sessions with 2022 Implementation Requirements

The Taxation division will be involved in form changes, process changes, training, rulemaking, communication and outreach, and/or system updates as a result of these bills.

<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 21-1312</a> <a href="#">Insurance Premium Property Sales Severance Tax</a>
<b>Bill Summary:</b>	<p>Remaining implementation requirements for 2022:</p> <ul style="list-style-type: none"> <li>● The netback deduction for oil and gas severance tax is limited to direct costs (including depreciation) actually paid or accrued by the taxpayer for transportation, manufacturing, and processing of the product. This disallows costs of capital and other indirect expenses.</li> <li>● The coal tonnage that is tax-exempt per quarter gradually decreases from TY 2022 to 2026. The exemption is phased out by TY 2026.</li> <li>● The percentage of tax for coal produced from underground mines that is allowed as a tax credit decreases by 10% each tax year from TY 2022 to TY 2026. The tax credit is phased out by TY 2026. The percentage of tax on lignitic coal that is allowed as a tax credit is also phased out in the same manner as the credit for coal produced from underground mines.</li> <li>● Any increased severance tax revenue resulting from the phase out of the coal severance tax exemption and credits is credited to the Just Transitions Cash Fund.</li> </ul>
<b>Bill Effective Date:</b>	<p>July 1, 2021, except changes to the oil and gas netback deduction take effect January 1, 2022</p>
<b>Tax Year or Filing Period Effective Date:</b>	<ul style="list-style-type: none"> <li>● Netback deduction: Tax years beginning on or after January 1, 2022</li> <li>● Coal severance tax provisions: Taxable years 2022-2025</li> </ul>
<b>Forms Affected:</b>	<p>DR 0020C, DR 0020CX</p>
<b>SQR's Expected:</b>	<p>Yes</p>
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	<p>Yes</p>

<b>Other notes:</b>	
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<b>Bill Number/ LLS Number and Bill Short Title:</b>	<a href="#">HB 21-1327</a> <a href="#">State And Local Tax Parity Act For Businesses</a>
<b>Bill Summary:</b>	<p>Beginning in tax year 2022, pass-through entities can elect to pay state income tax at the entity level instead of the individual level. This election will be made on the tax return filed by the entity, and the election will be binding on all owners of the electing entity.</p> <p>Currently, the federal Tax Cuts and Jobs Act limits individual taxpayers to a federal deduction of \$10,000 for state and local taxes (“SALT” deduction). This election allows pass-through entities to claim an unlimited SALT deduction on their federal tax return. The election will only be allowed in an income tax year where there is a limitation on the deductions allowed to individuals under IRC Section 164.</p>
<b>Bill Effective Date:</b>	June 23, 2021
<b>Tax Year or Filing Period Effective Date:</b>	Income tax years beginning on or after January 1, 2022
<b>Forms Affected:</b>	DR 0106, DR 0106CR, DR 0104, DR 0104CR, DR 0105, DR 0112CR, new state-specific K-1 (DR 0106K), DR 0106EP, new form for tax year 2022 election (DR 1705)
<b>SQR’s Expected:</b>	Yes
<b>Anticipated Rulemaking or FYI/Guidance Updates:</b>	Yes
<b>Other notes:</b>	SB 22-124 made some changes to HB 21-1327 that will impact how HB 21-1327 is implemented. See SB 22-124 on page 5 for more information.