

**First Regular Session  
Seventieth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 15-0718.01 Esther van Mourik x4215

**HOUSE BILL 15-1236**

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**HOUSE SPONSORSHIP**

**Winter,**

**SENATE SPONSORSHIP**

**(None),**

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**House Committees**

Transportation & Energy  
Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101    **CONCERNING INCOME TAX CREDITS FOR IMPROVING ENERGY**  
102            **EFFICIENCY IN CERTAIN BUILDINGS, AND, IN CONNECTION**  
103            **THEREWITH, MAKING AN APPROPRIATION.**

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**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://www.leg.state.co.us/bills summaries>.)*

The bill creates income tax credits for a limited number of years for:

- !        An owner of an existing multi-family home if the owner makes energy efficiency improvements to the multi-family home that result in at least a 20% reduction in energy

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

consumption;

- ! An owner of a new multi-family home or multi-family home undergoing major renovation, or an owner of a new commercial building or commercial building undergoing major renovation, if the building achieves at least a specified percentage of energy savings relative to energy consumption and either achieves LEED or green globes certification for the construction or renovation; and
- ! An owner, or multiple owners prorated according to ownership shares, of a new affordable housing project or affordable housing project undergoing major renovation, if the building achieves at least a specified percentage of energy savings relative to energy consumption and meets enterprise green community energy efficiency standards for the construction or renovation.

The bill requires the owner to provide certain documentation to the Colorado energy office and requires the Colorado energy office to issue credit certificates to the owner for the tax credit.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-538 as  
3 follows:

4 **39-22-538. Colorado energy efficiency improvement tax credit**  
5 **- legislative declaration - definitions - repeal.** (1) THE GENERAL  
6 ASSEMBLY HEREBY FINDS AND DECLARES THAT:

7 (a) INVESTMENTS IN THE EFFICIENCY WITH WHICH ELECTRICITY IS  
8 CONSUMED REMAIN THE LEAST EXPENSIVE MEANS TO MEET THE DEMAND  
9 FOR THE ENERGY SERVICES, SUCH AS LIGHT, HEAT, AND HOT WATER, THAT  
10 ELECTRICITY ENABLES;

11 (b) INVESTMENTS IN ENERGY EFFICIENCY CAN REDUCE THE COSTS  
12 OF ENERGY BILLS FOR COLORADO ENERGY CONSUMERS;

13 (c) NOTWITHSTANDING EFFORTS BY NATURAL GAS AND ELECTRIC  
14 UTILITIES, THE STATE OF COLORADO, AND OTHERS TO PROMOTE ELECTRIC  
15 ENERGY EFFICIENCY, THERE REMAINS A LARGE UNTAPPED **NATURAL GAS**

1 AND ELECTRIC EFFICIENCY RESOURCE, ESPECIALLY AMONG COMMERCIAL  
2 AND RESIDENTIAL SECTORS AND WITHIN BUILDINGS;

3 (d) THIS UNTAPPED EFFICIENCY RESOURCE IS PRIMARILY A RESULT  
4 OF PERSISTENT MARKET BARRIERS; AND

5 (e) PROVIDING TAX CREDITS TO NATURAL GAS AND ELECTRICITY  
6 CONSUMERS IS A POWERFUL MEANS TO ENCOURAGE MORE COST-EFFECTIVE  
7 EFFICIENCY IMPROVEMENTS, THEREBY LOWERING THE COST OF NATURAL  
8 GAS AND ELECTRIC ENERGY SERVICES IN COLORADO.

9 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
10 REQUIRES:

11 (a) "AFFORDABLE HOUSING PROJECT" MEANS A PROJECT WITH A  
12 MINIMUM TERM OF AFFORDABILITY OF NO LESS THAN FIVE YEARS WHICH  
13 HAS EITHER:

14 (I) TWENTY PERCENT OR MORE OF THE HOUSING UNITS BOTH  
15 RENT-RESTRICTED AND OCCUPIED BY FAMILIES WHOSE INCOME IS FIFTY  
16 PERCENT OR LESS OF THE AREA MEDIAN INCOME AS DETERMINED BY THE  
17 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,  
18 WITH ADJUSTMENTS FOR HOUSEHOLD SIZE; OR

19 (II) FORTY PERCENT OR MORE OF THE HOUSING UNITS BOTH  
20 RENT-RESTRICTED AND OCCUPIED BY FAMILIES WHOSE INCOME IS SIXTY  
21 PERCENT OR LESS OF THE AREA MEDIAN INCOME AS DETERMINED BY THE  
22 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,  
23 WITH ADJUSTMENTS FOR HOUSEHOLD SIZE.

24 (b) "COLORADO ENERGY OFFICE" OR "OFFICE" MEANS THE  
25 COLORADO ENERGY OFFICE CREATED IN SECTION 24-38.5-101, C.R.S.

26 (c) "COMMERCIAL BUILDING" MEANS ANY BUILDING INTENDED FOR  
27 OCCUPANCY BY ONE OR MORE BUSINESSES AND IS NOT A MULTI-FAMILY

1 HOME OR AN AFFORDABLE HOUSING PROJECT.

2 (d) "CREDIT CERTIFICATE" MEANS A STATEMENT ISSUED BY THE  
3 COLORADO ENERGY OFFICE CERTIFYING THAT A GIVEN OWNER QUALIFIES  
4 FOR THE CREDIT AUTHORIZED IN THIS SECTION AND SPECIFYING THE  
5 AMOUNT OF A CREDIT.

6 (e) "ENERGY EFFICIENCY IMPROVEMENTS" MEANS MODIFICATIONS  
7 MADE IN EACH INCOME TAX YEAR TO A COMMERCIAL BUILDING OR A  
8 MULTI-FAMILY HOME OR TO THE EQUIPMENT IN A COMMERCIAL BUILDING  
9 OR MULTI-FAMILY HOME WHERE SUCH MODIFICATIONS REDUCE THE  
10 ENERGY CONSUMPTION OF THE COMMERCIAL BUILDING OR MULTI-FAMILY  
11 HOME.

12 (f) "ENTERPRISE GREEN COMMUNITY" MEANS AN AFFORDABLE  
13 HOUSING PROJECT THAT MEETS THE ENERGY EFFICIENCY STANDARDS AS  
14 SET FORTH IN THE QUALIFIED ALLOCATION PLAN AS SUCH PLAN IS DEFINED  
15 IN SECTION 39-22-2101 (8), OR THAT HAS BEEN CERTIFIED BY ENTERPRISE  
16 GREEN COMMUNITIES OR SUCH SUCCESSOR ORGANIZATION.

17 (g) "GREEN GLOBES" MEANS A GREEN BUILDING RATING AND  
18 CERTIFICATION PROGRAM LICENSED FOR USE BY THE GREEN BUILDING  
19 INITIATIVE, A NONPROFIT ORGANIZATION, THAT OVERSEES THE  
20 DEVELOPMENT OF VOLUNTARY CONSENSUS STANDARDS FOR PRODUCTS,  
21 SERVICES, PROCESSES, SYSTEMS, AND PERSONNEL IN THE UNITED STATES.

22 (h) "HOUSING UNIT" MEANS A RESIDENCE INTENDED FOR  
23 OCCUPANCY BY A SINGLE HOUSEHOLD.

24 (i) "INTERNATIONAL ENERGY CONSERVATION CODE" MEANS THE  
25 2012 VERSION OF THE MODEL BUILDING ENERGY CODE ISSUED BY THE  
26 INTERNATIONAL CODE COUNCIL, OR ITS SUCCESSOR ORGANIZATION.

27 (j) "LEED" MEANS A GREEN BUILDING CERTIFICATION PROGRAM

1 ESTABLISHED AND MAINTAINED BY THE UNITED STATES GREEN BUILDING  
2 COUNCIL, OR ITS SUCCESSOR ORGANIZATION.

3 (k) "MULTI-FAMILY HOME" MEANS A BUILDING THAT CONTAINS  
4 MULTIPLE HOUSING UNITS WHERE THE HEATING SYSTEMS ARE JOINTLY  
5 UTILIZED.

6 (l) "NET INSTALLED COST" MEANS THE COST IN EACH INCOME TAX  
7 YEAR AFTER ANY PUBLIC UTILITY REBATES OR FUNDING PROVIDED BY THE  
8 STATE OR FEDERAL GOVERNMENT FOR ENERGY EFFICIENCY  
9 IMPROVEMENTS.

10 (m) "OWNER" MEANS THE HOLDER OF AN INTEREST IN A  
11 COMMERCIAL BUILDING OR MULTI-FAMILY HOME, INCLUDING A VENDEE  
12 UNDER A CONTRACT FOR DEED TO REAL PROPERTY, AS THAT TERM IS  
13 DEFINED IN SECTION 38-35-126 (1) (b), C.R.S.

14 (n) "PUBLIC UTILITY" MEANS A PUBLIC UTILITY AS DEFINED IN  
15 SECTION 40-1-103, C.R.S., SUPPLYING ELECTRICITY OR NATURAL GAS AT  
16 RETAIL.

17 (o) "QUALIFIED TAXPAYER" MEANS AN INDIVIDUAL, CORPORATION,  
18 OR OTHER ENTITY WHO OWNS AN INTEREST, DIRECT OR INDIRECT, IN THE  
19 AFFORDABLE HOUSING PROJECT AND IS SUBJECT TO THE TAXES IMPOSED  
20 BY THIS ARTICLE.

21 (p) "RENT-RESTRICTED" MEANS THE GROSS RENT FOR THE HOUSING  
22 UNIT DOES NOT EXCEED THIRTY PERCENT OF THE IMPUTED INCOME  
23 LIMITATION APPLICABLE TO THE HOUSING UNIT IN THE AFFORDABLE  
24 HOUSING PROJECT.

25 (3) (a) EXCEPT AS PROVIDED IN PARAGRAPHS (a) AND (b) OF  
26 SUBSECTION (6) OF THIS SECTION, FOR INCOME TAX YEARS COMMENCING  
27 ON OR AFTER JANUARY 1, 2016, BUT PRIOR TO JANUARY 1, 2019, AN

1 OWNER OF AN EXISTING MULTI-FAMILY HOME IS ALLOWED A CREDIT  
2 AGAINST THE INCOME TAXES IMPOSED BY THIS ARTICLE IN AN AMOUNT SET  
3 FORTH IN PARAGRAPH (b) OF THIS SUBSECTION (3) FOR ENERGY EFFICIENCY  
4 IMPROVEMENTS TO THE MULTI-FAMILY HOME IF THE ENERGY EFFICIENCY  
5 IMPROVEMENTS ACHIEVE AT LEAST A TWENTY PERCENT REDUCTION IN  
6 ENERGY CONSUMPTION AS DETERMINED BY:

7 (I) PARTICIPATION IN AN ENERGY EFFICIENCY PROGRAM UNDER  
8 THE PUBLIC UTILITY DEMAND-SIDE MANAGEMENT PROGRAM APPLICATIONS  
9 SET FORTH IN SECTIONS 40-3.2-103 AND 40-3.2-104, C.R.S., WHERE THE  
10 PUBLIC UTILITY ISSUES, UPON THE OWNER'S REQUEST, THE OWNER'S  
11 PROJECTED ENERGY SAVINGS BASED ON PARTICIPATING IN THE UTILITY'S  
12 DEMAND-SIDE MANAGEMENT PROGRAM. THE OWNER WILL HAVE THE SOLE  
13 RESPONSIBILITY FOR PROVIDING SUCH PROJECTED ENERGY SAVINGS AND  
14 OTHER SUPPORTING DOCUMENTATION SHOWING THAT ENERGY  
15 CONSUMPTION OF THE MULTI-FAMILY HOME WILL BE REDUCED BY AT  
16 LEAST TWENTY PERCENT TO THE COLORADO ENERGY OFFICE IN ORDER FOR  
17 THE OFFICE TO ISSUE A CREDIT CERTIFICATE TO THE OWNER; OR

18 (II) A CREDIT CERTIFICATE ISSUED BY THE COLORADO ENERGY  
19 OFFICE THAT INDICATES THE ENERGY CONSUMPTION OF THE MULTI-FAMILY  
20 HOME WAS REDUCED BY AT LEAST TWENTY PERCENT FOR A MULTI-FAMILY  
21 HOME SERVED BY A PUBLIC UTILITY THAT DOES NOT ALLOW FOR  
22 PARTICIPATION IN AN ENERGY EFFICIENCY PROGRAM THROUGH THE PUBLIC  
23 UTILITY AS DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (a).

24 (b) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS  
25 PARAGRAPH (b), THE AMOUNT OF THE CREDIT IS EQUAL TO THIRTY  
26 PERCENT OF THE OWNER'S NET INSTALLED COST, NOT TO EXCEED ONE  
27 THOUSAND FIVE HUNDRED DOLLARS PER HOUSING UNIT PER INCOME TAX

1 YEAR AND NOT TO EXCEED SEVENTY-FIVE THOUSAND DOLLARS PER  
2 MULTI-FAMILY HOME.

3 (II) FOR AN AFFORDABLE HOUSING PROJECT, THE AMOUNT OF THE  
4 CREDIT MAY NOT EXCEED ONE THOUSAND EIGHT HUNDRED SEVENTY-FIVE  
5 DOLLARS PER HOUSING UNIT PER INCOME TAX YEAR AND MAY NOT EXCEED  
6 NINETY-THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS PER  
7 AFFORDABLE HOUSING PROJECT. IF THERE IS MORE THAN ONE QUALIFIED  
8 TAXPAYER WHO OWNS THE AFFORDABLE HOUSING PROJECT, THE AMOUNT  
9 OF THE TAX CREDIT MUST BE PRORATED ACCORDING TO OWNERSHIP  
10 SHARES, UNLESS OTHERWISE AGREED TO BY THE QUALIFIED TAXPAYERS.

11 (c) THE COLORADO ENERGY OFFICE SHALL ESTABLISH AND POST  
12 GUIDELINES ON ITS WEB SITE NO LATER THAN NOVEMBER 31, 2015,  
13 SETTING FORTH HOW AN OWNER OF A MULTI-FAMILY HOME SERVED BY A  
14 PUBLIC UTILITY THAT DOES NOT ALLOW FOR PARTICIPATION IN AN ENERGY  
15 EFFICIENCY PROGRAM THROUGH THE PUBLIC UTILITY AS DESCRIBED IN  
16 SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS SUBSECTION (3) MAY  
17 OBTAIN A CREDIT CERTIFICATE. IF POSSIBLE, THE COLORADO ENERGY  
18 OFFICE SHALL WORK IN PARTNERSHIP WITH AND RELY UPON DATA AND  
19 INFORMATION PROVIDED BY THE PUBLIC UTILITY SERVING THE  
20 MULTI-FAMILY HOME.

21 (4) (a) SUBJECT TO THE REQUIREMENTS SPECIFIED IN PARAGRAPH  
22 (b) OF THIS SUBSECTION (4), AND EXCEPT AS PROVIDED IN PARAGRAPHS (a)  
23 AND (b) OF SUBSECTION (6) OF THIS SECTION, FOR INCOME TAX YEARS  
24 COMMENCING ON OR AFTER JANUARY 1, 2016, BUT PRIOR TO JANUARY 1,  
25 2019, AN OWNER OF A NEW MULTI-FAMILY HOME OR MULTI-FAMILY HOME  
26 UNDERGOING MAJOR RENOVATION, OR AN OWNER OF A NEW COMMERCIAL  
27 BUILDING OR COMMERCIAL BUILDING UNDERGOING MAJOR RENOVATION,

1 IS ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED BY THIS  
2 ARTICLE FOR ENERGY EFFICIENCY IMPROVEMENTS TO THE MULTI-FAMILY  
3 HOME OR COMMERCIAL BUILDING AS FOLLOWS:

4 (I) THE AMOUNT OF THE CREDIT ALLOWED IS EQUAL TO FIFTY  
5 CENTS PER SQUARE FOOT OF INTERIOR FLOOR AREA OF THE MULTI-FAMILY  
6 HOME OR COMMERCIAL BUILDING FOR THE FIRST FIFTY THOUSAND SQUARE  
7 FEET PLUS TWENTY-FIVE CENTS PER SQUARE FOOT OF INTERIOR FLOOR  
8 AREA OVER FIFTY THOUSAND SQUARE FEET, AND SHALL NOT EXCEED A  
9 TOTAL OF SEVENTY-FIVE THOUSAND DOLLARS PER MULTI-FAMILY HOME  
10 OR COMMERCIAL BUILDING PER INCOME TAX YEAR. THE CREDIT IS ONLY  
11 ALLOWED IF THE MULTI-FAMILY HOME OR COMMERCIAL BUILDING  
12 ACHIEVES AT LEAST TWENTY PERCENT ENERGY SAVINGS RELATIVE TO  
13 ENERGY CONSUMPTION BASED ON THE COMMERCIAL ENERGY EFFICIENCY  
14 STANDARD IN THE INTERNATIONAL ENERGY CONSERVATION CODE AND  
15 ACHIEVES EITHER:

16 (A) LEED SILVER CERTIFICATION OR BETTER FOR THE  
17 CONSTRUCTION OR MAJOR RENOVATION UNDER THE LEED PROGRAM IN  
18 EFFECT AT THE TIME OF COMPLETION OF THE CONSTRUCTION OR MAJOR  
19 RENOVATION;

20 (B) A TWO GREEN GLOBES CERTIFICATION OR BETTER FOR THE  
21 CONSTRUCTION OR MAJOR RENOVATION; OR

22 (C) A COMPARABLE NUMERIC RATING UNDER A SUSTAINABLE  
23 BUILDING CERTIFICATION PROGRAM AS DETERMINED BY THE OFFICE;

24 (II) THE AMOUNT OF THE CREDIT ALLOWED IS EQUAL TO ONE  
25 DOLLAR PER SQUARE FOOT OF INTERIOR FLOOR AREA OF THE  
26 MULTI-FAMILY HOME OR COMMERCIAL BUILDING FOR THE FIRST FIFTY  
27 THOUSAND SQUARE FEET PLUS FIFTY CENTS PER SQUARE FOOT OF INTERIOR



1 FLOOR AREA OVER FIFTY THOUSAND SQUARE FEET, AND SHALL NOT  
2 EXCEED A TOTAL OF ONE HUNDRED FIFTY THOUSAND DOLLARS PER  
3 MULTI-FAMILY HOME OR COMMERCIAL BUILDING PER INCOME TAX YEAR.  
4 THE CREDIT IS ONLY ALLOWED IF THE MULTI-FAMILY HOME OR  
5 COMMERCIAL BUILDING ACHIEVES AT LEAST THIRTY-FIVE PERCENT  
6 ENERGY SAVINGS RELATIVE TO ENERGY CONSUMPTION BASED ON THE  
7 COMMERCIAL ENERGY EFFICIENCY STANDARD IN THE INTERNATIONAL  
8 ENERGY CONSERVATION CODE AND ACHIEVES EITHER:

9 (A) LEED GOLD CERTIFICATION OR BETTER FOR THE  
10 CONSTRUCTION OR MAJOR RENOVATION UNDER THE LEED PROGRAM IN  
11 EFFECT AT THE TIME OF COMPLETION OF THE CONSTRUCTION OR MAJOR  
12 RENOVATION;

13 (B) A THREE GREEN GLOBES CERTIFICATION OR BETTER FOR THE  
14 CONSTRUCTION OR MAJOR RENOVATION; OR

15 (C) A COMPARABLE NUMERIC RATING UNDER A SUSTAINABLE  
16 BUILDING CERTIFICATION PROGRAM AS DETERMINED BY THE OFFICE; OR

17 (III) THE AMOUNT OF THE CREDIT ALLOWED IS EQUAL TO TWO  
18 DOLLARS PER SQUARE FOOT OF INTERIOR FLOOR AREA OF THE  
19 MULTI-FAMILY HOME OR COMMERCIAL BUILDING FOR THE FIRST FIFTY  
20 THOUSAND SQUARE FEET PLUS ONE DOLLAR PER SQUARE FOOT OF INTERIOR  
21 FLOOR AREA OVER FIFTY THOUSAND SQUARE FEET, AND SHALL NOT  
22 EXCEED A TOTAL OF THREE HUNDRED THOUSAND DOLLARS PER  
23 MULTI-FAMILY HOME OR COMMERCIAL BUILDING PER INCOME TAX YEAR.  
24 THE CREDIT IS ONLY ALLOWED IF THE MULTI-FAMILY HOME OR  
25 COMMERCIAL BUILDING ACHIEVES AT LEAST FIFTY PERCENT ENERGY  
26 SAVINGS RELATIVE TO ENERGY CONSUMPTION BASED ON THE COMMERCIAL  
27 ENERGY EFFICIENCY STANDARD IN THE INTERNATIONAL ENERGY

1 CONSERVATION CODE AND ACHIEVES EITHER:

2 (A) LEED PLATINUM CERTIFICATION FOR THE CONSTRUCTION OR  
3 MAJOR RENOVATION UNDER THE LEED PROGRAM IN EFFECT AT THE TIME  
4 OF COMPLETION OF THE CONSTRUCTION OR MAJOR RENOVATION;

5 (B) A FOUR GREEN GLOBES CERTIFICATION FOR THE  
6 CONSTRUCTION OR MAJOR RENOVATION; OR

7 (C) A COMPARABLE NUMERIC RATING UNDER A SUSTAINABLE  
8 BUILDING CERTIFICATION PROGRAM AS DETERMINED BY THE OFFICE.

9 (b) IN ORDER TO QUALIFY FOR THE CREDITS SPECIFIED IN THIS  
10 SUBSECTION (4), THE OWNER OF THE MULTI-FAMILY HOME OR THE  
11 COMMERCIAL BUILDING SHALL PRESENT THE ENERGY MODELING OF THE  
12 MULTI-FAMILY HOME OR THE COMMERCIAL BUILDING TO THE COLORADO  
13 ENERGY OFFICE, ALONG WITH DOCUMENTATION OF THE MULTI-FAMILY  
14 HOME OR COMMERCIAL BUILDING'S INTERIOR FLOOR AREA AND, IN THE  
15 CASE OF AN EXISTING MULTI-FAMILY HOME OR COMMERCIAL BUILDING,  
16 DOCUMENTATION SHOWING THAT THE MULTI-FAMILY HOME OR  
17 COMMERCIAL BUILDING COMPLETED A MAJOR RENOVATION. IF THE OFFICE  
18 DETERMINES THAT THE OWNER OF THE MULTI-FAMILY HOME OR  
19 COMMERCIAL BUILDING MEETS THE REQUIREMENTS SET FORTH IN  
20 PARAGRAPH (a) OF THIS SUBSECTION (4), THE OFFICE SHALL ISSUE A  
21 CREDIT CERTIFICATE TO THE OWNER THAT SETS FORTH THE AMOUNT OF  
22 THE CREDIT.

23 (5) (a) SUBJECT TO THE REQUIREMENTS SPECIFIED IN PARAGRAPHS  
24 (b) AND (c) OF THIS SUBSECTION (5), AND EXCEPT AS PROVIDED IN  
25 PARAGRAPHS (a) AND (b) OF SUBSECTION (6) OF THIS SECTION, FOR INCOME  
26 TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2016, BUT PRIOR TO  
27 JANUARY 1, 2019, A QUALIFIED TAXPAYER WHO OWNS A NEW AFFORDABLE

1 HOUSING PROJECT OR AN AFFORDABLE HOUSING PROJECT UNDERGOING  
2 MAJOR RENOVATION IS ALLOWED A CREDIT AGAINST THE INCOME TAXES  
3 IMPOSED BY THIS ARTICLE FOR ENERGY EFFICIENCY IMPROVEMENTS TO  
4 THE AFFORDABLE HOUSING PROJECT AS FOLLOWS:

5 (I) THE AMOUNT OF THE CREDIT ALLOWED IS EQUAL TO FIFTY  
6 CENTS PER SQUARE FOOT OF INTERIOR FLOOR AREA OF THE AFFORDABLE  
7 HOUSING PROJECT FOR THE FIRST FIFTY THOUSAND SQUARE FEET PLUS  
8 TWENTY-FIVE CENTS PER SQUARE FOOT OF INTERIOR FLOOR AREA OVER  
9 FIFTY THOUSAND SQUARE FEET, AND SHALL NOT EXCEED A TOTAL OF  
10 NINETY-THREE THOUSAND SEVEN HUNDRED FIFTY DOLLARS PER  
11 AFFORDABLE HOUSING PROJECT PER INCOME TAX YEAR. THE CREDIT IS  
12 ONLY ALLOWED IF THE AFFORDABLE HOUSING PROJECT ACHIEVES AT  
13 LEAST TWENTY PERCENT ENERGY SAVINGS RELATIVE TO ENERGY  
14 CONSUMPTION BASED ON THE COMMERCIAL ENERGY EFFICIENCY  
15 STANDARD IN THE INTERNATIONAL ENERGY CONSERVATION CODE AND  
16 ACHIEVES EITHER:

17 (A) THIRTY-FIVE TO FORTY-FIVE POINT EQUIVALENTS AS AN  
18 ENTERPRISE GREEN COMMUNITY FOR NEW CONSTRUCTION; ■

19 (B) THIRTY TO FORTY POINT EQUIVALENTS AS AN ENTERPRISE  
20 GREEN COMMUNITY FOR MAJOR RENOVATION;

21 (C) LEED SILVER CERTIFICATION OR BETTER FOR THE  
22 CONSTRUCTION OR MAJOR RENOVATION UNDER THE LEED PROGRAM IN  
23 EFFECT AT THE TIME OF COMPLETION OF THE CONSTRUCTION OR MAJOR  
24 RENOVATION;

25 (D) A TWO GREEN GLOBES CERTIFICATION OR BETTER FOR THE  
26 CONSTRUCTION OR MAJOR RENOVATION; OR

27 (E) A COMPARABLE NUMERIC RATING UNDER A SUSTAINABLE

1 BUILDING CERTIFICATION PROGRAM AS DETERMINED BY THE OFFICE;

2 (II) THE AMOUNT OF THE CREDIT ALLOWED IS EQUAL TO ONE  
3 DOLLAR PER SQUARE FOOT OF INTERIOR FLOOR AREA OF THE AFFORDABLE  
4 HOUSING PROJECT FOR THE FIRST FIFTY THOUSAND SQUARE FEET PLUS  
5 FIFTY CENTS PER SQUARE FOOT OF INTERIOR FLOOR AREA OVER FIFTY  
6 THOUSAND SQUARE FEET, AND SHALL NOT EXCEED A TOTAL OF ONE  
7 HUNDRED EIGHTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS PER  
8 AFFORDABLE HOUSING PROJECT PER INCOME TAX YEAR. THE CREDIT IS  
9 ONLY ALLOWED IF THE AFFORDABLE HOUSING PROJECT ACHIEVES AT  
10 LEAST THIRTY-FIVE PERCENT ENERGY SAVINGS RELATIVE TO ENERGY  
11 CONSUMPTION BASED ON THE COMMERCIAL ENERGY EFFICIENCY  
12 STANDARD IN THE INTERNATIONAL ENERGY CONSERVATION CODE AND  
13 ACHIEVES EITHER:

14 (A) FORTY-SIX TO SEVENTY-FIVE POINT EQUIVALENTS AS AN  
15 ENTERPRISE GREEN COMMUNITY FOR NEW CONSTRUCTION; ■

16 (B) FORTY-ONE TO SEVENTY POINT EQUIVALENTS AS AN  
17 ENTERPRISE GREEN COMMUNITY FOR MAJOR RENOVATION; ■

18 (C) LEED GOLD CERTIFICATION OR BETTER FOR THE  
19 CONSTRUCTION OR MAJOR RENOVATION UNDER THE LEED PROGRAM IN  
20 EFFECT AT THE TIME OF COMPLETION OF THE CONSTRUCTION OR MAJOR  
21 RENOVATION;

22 (D) A THREE GREEN GLOBES CERTIFICATION OR BETTER FOR THE  
23 CONSTRUCTION OR MAJOR RENOVATION; OR

24 (E) A COMPARABLE NUMERIC RATING UNDER A SUSTAINABLE  
25 BUILDING CERTIFICATION PROGRAM AS DETERMINED BY THE OFFICE; OR

26 (III) THE AMOUNT OF THE CREDIT ALLOWED IS EQUAL TO TWO  
27 DOLLARS PER SQUARE FOOT OF INTERIOR FLOOR AREA OF THE AFFORDABLE

1 HOUSING PROJECT FOR THE FIRST FIFTY THOUSAND SQUARE FEET PLUS ONE  
2 DOLLAR PER SQUARE FOOT OF INTERIOR FLOOR AREA OVER FIFTY  
3 THOUSAND SQUARE FEET, AND SHALL NOT EXCEED A TOTAL OF THREE  
4 HUNDRED SEVENTY-FIVE THOUSAND DOLLARS PER AFFORDABLE HOUSING  
5 PROJECT PER INCOME TAX YEAR. THE CREDIT IS ONLY ALLOWED IF THE  
6 AFFORDABLE HOUSING PROJECT ACHIEVES AT LEAST FIFTY PERCENT  
7 ENERGY SAVINGS RELATIVE TO ENERGY CONSUMPTION BASED ON THE  
8 COMMERCIAL ENERGY EFFICIENCY STANDARD IN THE INTERNATIONAL  
9 ENERGY CONSERVATION CODE AND ACHIEVES EITHER:

10 (A) MORE THAN SEVENTY-FIVE POINT EQUIVALENTS AS AN  
11 ENTERPRISE GREEN COMMUNITY FOR NEW CONSTRUCTION; ■

12 (B) MORE THAN SEVENTY POINT EQUIVALENTS AS AN ENTERPRISE  
13 GREEN COMMUNITY FOR MAJOR RENOVATION; ■

14 (C) LEED PLATINUM CERTIFICATION FOR THE CONSTRUCTION OR  
15 MAJOR RENOVATION UNDER THE LEED PROGRAM IN EFFECT AT THE TIME  
16 OF COMPLETION OF THE CONSTRUCTION OR MAJOR RENOVATION; ■

17 (D) A FOUR GREEN GLOBES CERTIFICATION FOR THE  
18 CONSTRUCTION OR MAJOR RENOVATION; OR

19 (E) A COMPARABLE NUMERIC RATING UNDER A SUSTAINABLE  
20 BUILDING CERTIFICATION PROGRAM AS DETERMINED BY THE OFFICE. ■

21 (b) IN ORDER TO QUALIFY FOR THE CREDITS SPECIFIED IN THIS  
22 SUBSECTION (5), THE QUALIFIED TAXPAYER WHO OWNS THE AFFORDABLE  
23 HOUSING PROJECT SHALL PRESENT THE ENERGY MODELING OF THE  
24 AFFORDABLE HOUSING PROJECT TO THE COLORADO ENERGY OFFICE,  
25 ALONG WITH DOCUMENTATION OF THE AFFORDABLE HOUSING PROJECT'S  
26 INTERIOR FLOOR AREA AND, IN THE CASE OF AN EXISTING AFFORDABLE  
27 HOUSING PROJECT, DOCUMENTATION SHOWING THAT THE AFFORDABLE

1 HOUSING PROJECT COMPLETED A MAJOR RENOVATION. THE QUALIFIED  
2 TAXPAYER SHALL ALSO PROVIDE TO THE OFFICE A COPY OF A REGULATORY  
3 AGREEMENT, RESTRICTIVE COVENANT, OR OTHER SUCH DOCUMENTATION  
4 REQUIRED BY THE OFFICE TO ESTABLISH THAT THE AFFORDABLE HOUSING  
5 PROJECT MEETS THE DEFINITION SET FORTH IN PARAGRAPH (a) OF  
6 SUBSECTION (2) OF THIS SECTION. IF THE OFFICE DETERMINES THAT THE  
7 REQUIREMENTS SET FORTH IN PARAGRAPH (a) OF THIS SUBSECTION (5)  
8 WERE MET, THE OFFICE SHALL ISSUE A CREDIT CERTIFICATE TO THE  
9 QUALIFIED TAXPAYER THAT SETS FORTH THE AMOUNT OF THE CREDIT.

10 (c) IF THERE IS MORE THAN ONE QUALIFIED TAXPAYER WHO OWNS  
11 THE AFFORDABLE HOUSING PROJECT, THE AMOUNT OF THE CREDIT MUST  
12 BE PRORATED ACCORDING TO OWNERSHIP SHARES, UNLESS OTHERWISE  
13 AGREED TO BY THE QUALIFIED TAXPAYERS.

14 (6) (a) THE COLORADO ENERGY OFFICE SHALL NOT ISSUE MORE  
15 THAN TWENTY-FIVE CREDIT CERTIFICATES PER INCOME TAX YEAR, AND OF  
16 THOSE TWENTY-FIVE CREDIT CERTIFICATES:

17 (I) AT LEAST FIVE MUST BE FOR AFFORDABLE HOUSING PROJECTS,  
18 UNLESS THE OFFICE RECEIVES FEWER THAN FIVE REQUESTS FOR CREDIT  
19 CERTIFICATES FOR AFFORDABLE HOUSING;

20 (II) NO MORE THAN FIVE MAY BE FOR THE CREDIT ALLOWED IN  
21 SUBPARAGRAPH (I) OF PARAGRAPH (a) OF SUBSECTION (4) OF THIS  
22 SECTION;

23 (III) NO MORE THAN FIVE MAY BE FOR THE CREDIT ALLOWED IN  
24 SUBPARAGRAPH (II) OF PARAGRAPH (a) OF SUBSECTION (4) OF THIS  
25 SECTION; AND

26 (IV) NO MORE THAN FIVE MAY BE FOR THE CREDIT ALLOWED IN  
27 SUBPARAGRAPH (III) OF PARAGRAPH (a) OF SUBSECTION (4) OF THIS

1 SECTION.

2 (b) IF AN OWNER OR QUALIFIED TAXPAYER CONSTRUCTS, MAKES  
3 MAJOR RENOVATIONS TO, OR MAKES ENERGY EFFICIENCY IMPROVEMENTS  
4 TO A MULTI-FAMILY HOME, COMMERCIAL BUILDING, OR AFFORDABLE  
5 HOUSING PROJECT THAT IS LOCATED WHERE THE LOCAL GOVERNMENT  
6 BUILDING CODE OR OTHER REGULATIONS REQUIRE ENERGY SAVINGS OR  
7 ENERGY EFFICIENCY IMPROVEMENTS THAT MEET THE REQUIREMENTS FOR  
8 A PARTICULAR TAX CREDIT ALLOWED IN THIS SECTION, THEN THE  
9 COLORADO ENERGY OFFICE MAY NOT ISSUE A CREDIT CERTIFICATE TO THE  
10 OWNER OR QUALIFIED TAXPAYER FOR SUCH CREDIT.

11 (c) TO CLAIM A CREDIT ALLOWED IN THIS SECTION, THE TAXPAYER  
12 SHALL ATTACH A COPY OF THE CREDIT CERTIFICATE ISSUED BY THE  
13 COLORADO ENERGY OFFICE TO HIS OR HER TAX RETURN. NO TAX CREDIT  
14 IS ALLOWED UNDER THIS SECTION UNLESS THE TAXPAYER PROVIDES THE  
15 COPY OF THE CREDIT CERTIFICATE.

16 (7) IF THE AMOUNT OF A CREDIT ALLOWED IN THIS SECTION  
17 EXCEEDS THE AMOUNT OF INCOME TAXES OTHERWISE DUE ON THE  
18 TAXPAYER'S INCOME IN THE INCOME TAX YEAR FOR WHICH THE CREDIT IS  
19 BEING CLAIMED, THE AMOUNT OF THE CREDIT NOT USED AS AN OFFSET  
20 AGAINST INCOME TAXES IN THE CURRENT INCOME TAX YEAR MAY BE  
21 CARRIED FORWARD AND USED AS A CREDIT AGAINST SUBSEQUENT YEARS'  
22 INCOME TAX LIABILITY FOR A PERIOD NOT TO EXCEED FIVE YEARS AND  
23 MUST BE APPLIED FIRST TO THE EARLIEST INCOME TAX YEARS POSSIBLE.  
24 ANY CREDIT REMAINING AFTER THE FIVE YEAR PERIOD MAY NOT BE  
25 REFUNDED OR CREDITED TO THE TAXPAYER.

26 (8) IN REVIEWING THE PLANNED AND ACTUAL ENERGY SAVINGS  
27 ACHIEVEMENT OF A PUBLIC UTILITY UNDER THE PUBLIC UTILITY

1 DEMAND-SIDE MANAGEMENT PROGRAM APPLICATIONS SET FORTH IN  
2 SECTIONS 40-3.2-103 AND 40-3.2-104, C.R.S., THE PUBLIC UTILITIES  
3 COMMISSION SHALL NOT PENALIZE THE ENERGY SAVINGS ACHIEVEMENT  
4 OF A PUBLIC UTILITY BECAUSE PARTICIPANTS IN SUCH PROGRAMS ALSO  
5 QUALIFY FOR INCOME TAX CREDITS UNDER THIS SECTION.

6 (9) NO LATER THAN JANUARY 5, 2018, THE COLORADO ENERGY  
7 OFFICE SHALL SUBMIT A REPORT TO THE FINANCE COMMITTEES OF THE  
8 SENATE AND HOUSE OF REPRESENTATIVES THAT DETAILS:

9 (a) THE QUALITY OF THE IMPLEMENTATION OF THIS SECTION;

10 (b) THE AMOUNT OF ENERGY EFFICIENCY IMPROVEMENT  
11 ESTIMATED TO BE ATTRIBUTABLE TO THIS SECTION;

12 (c) THE VALUE OF THE TAX CREDITS ALLOWED UNDER THIS  
13 SECTION; AND

14 (d) ANY PROBLEMS OR ISSUES ARISING IN THE IMPLEMENTATION OF  
15 THIS SECTION.

16 (10) THE COLORADO ENERGY OFFICE SHALL, IN A SUFFICIENTLY  
17 TIMELY MANNER TO ALLOW THE DEPARTMENT OF REVENUE TO PROCESS  
18 RETURNS CLAIMING THE CREDIT ALLOWED BY THIS SECTION, PROVIDE THE  
19 DEPARTMENT OF REVENUE WITH AN ELECTRONIC REPORT OF THE  
20 TAXPAYERS RECEIVING A CREDIT CERTIFICATE AS ALLOWED IN THIS  
21 SECTION FOR THE PRECEDING CALENDAR YEAR THAT INCLUDES THE  
22 FOLLOWING INFORMATION:

23 (a) THE TAXPAYER'S NAME;

24 (b) THE TAXPAYER'S SOCIAL SECURITY NUMBER; AND

25 (c) THE AMOUNT OF THE CREDIT ALLOWED IN THIS SECTION.

26 (11) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2024.

27 **SECTION 2. Appropriation.** For the 2015-16 state fiscal year,



1 \$127,718 is appropriated to the office of the governor for use by the  
2 Colorado energy office. This appropriation is from the general fund and  
3 is based on an assumption that the office will require an additional 0.9  
4 FTE. To implement this act, the office may use this appropriation for  
5 administering a tax credit for certain residential and commercial building  
6 projects that attain certain energy efficiency standards.

7 **SECTION 3. Act subject to petition - effective date.** This act  
8 takes effect at 12:01 a.m. on the day following the expiration of the  
9 ninety-day period after final adjournment of the general assembly (August  
10 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a  
11 referendum petition is filed pursuant to section 1 (3) of article V of the  
12 state constitution against this act or an item, section, or part of this act  
13 within such period, then the act, item, section, or part will not take effect  
14 unless approved by the people at the general election to be held in  
15 November 2016 and, in such case, will take effect on the date of the  
16 official declaration of the vote thereon by the governor.