



Colorado Public Policy Update
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The Colorado Nonprofit Association (CNA) tracks numerous bills during the Colorado Legislative Session, with a goal of helping to shape and supporting those of broad interest to the Colorado nonprofit community. As a member of CNA's Advocacy Committee, Kristin Lummis is tracking these issues and plans keep our CIC community informed.

The 2022 session is just underway, but here is a quick update of some of the issues being tracked.

HB 22-1006 Child Care Center Property Tax Exemption

This is a bipartisan effort to help reduce expenses incurred by nonprofit child care centers that do not own their buildings. This bill, if passed, would create a property tax exemption for the building owner who leases to a nonprofit child care center, resulting in a savings on the property tax portion of a Triple Net (NNN) lease.

CNA has not taken a position on HB 22-1006.

HB 22-1026 Alternate Transportation Options Tax Credit

Another bipartisan effort, this bill replaces an existing income tax deduction for expenses incurred by employers when providing alternative transportation options to employees with a refundable income tax credit of 50% of such expenses for such employers. Options include carpooling and transit passes.

The credit is allowed for income tax years beginning on or after January 1, 2023, but before January 1, 2033.

CNA has not taken a position, but is asking sponsors if they would consider adding in an incentive for nonprofits that provide alternative transportation options such as bus passes for their clients.

Impact of the Colorado Charitable Tax Deduction

In Colorado, charitable contributions can be deducted from state income tax. The first \$500 in contributions is not eligible for deduction. Anything above that amount, minus the first \$500, is subtracted from the Colorado income tax calculation. In 2022, the law changed, limiting the amount of contributions eligible for deduction to \$60,000 for taxpayers earning over \$400,000 (filing jointly).

Currently, this deduction is being reviewed to determine what it costs the state and to evaluate its use. CNA is wondering how nonprofits use or promote the existence of this deduction as part of their fundraising efforts.

If your organization shares or promotes the Colorado Charitable Tax Deduction, please let Kristen Lummis at Riverside Educational Center know. She will share this information with CNA.

Nonprofit Lobbying Registration

If your organization plans to provide testimony on legislation before the General Assembly or contact lawmakers and seek to influence legislation or state policy, the Secretary of State's office requires that you register as a lobbyist and file monthly reports.

CNA has been discussing this because it seems like a deterrent to nonprofits that want to weigh in on an issue or two of interest to them specifically. A proposal is being crafted to provide a registration exemption for small nonprofits. However, this is going to take some time. If your organization plans to participate directly in the current legislative session, you will likely want to do some research and register with the Secretary of State's office.