

This does not constitute tax advice. All persons considering use of available incentives should consult with their own tax professional to determine eligibility, specific amount of benefit available, if any, and further details.

STATE OF COLORADO

Refundable Income Tax Credit for Electric Vehicle Purchase

Short Description: Tax credit of \$0 - \$6,000 for the purchase or lease of a qualified electric vehicle. The credit is scheduled to expire January 1, 2012

Beneficiary: Purchaser qualified electric vehicle titled and registered in the State of Colorado

Type of Incentive: Refundable income tax credit

Effective Dates: Scheduled to Expire January 1, 2012

Value of Benefit: Income tax credit of 85% of the incremental cost of an electric vehicle, up to a maximum credit of \$6,000. The credit is claimed on Colorado Form 104CR, Line 8 (reproduced below). For vehicles purchased on or after January 1, 2010, the credit is only available in the year during which the vehicle was purchased or converted. Credits generated in 2010 or 2011 that exceed the tax due for that year are not carried forward but are instead refundable. This credit is available to leased vehicles as well as purchasers of motor vehicles. The credit is calculated by subtracting the value of the vehicle when the lease expires from the cost of the vehicle to the lessor at the time of the lease transaction, and dividing the amount by the cost of the vehicle at the time of the lease transaction.

Full Description:

A credit is allowed for the purchase of a motor vehicle that is also titled and registered in Colorado that uses or is converted to use an alternative fuel or has its power source replaced with a power source that uses alternative fuel (39-22-516). Under Colorado Statute 25-7-106.8, electric vehicles qualify as alternative fuel vehicles. The credit amount is equal to a specified percentage of the following amount:

*The difference between the actual cost incurred by the entity during a given state fiscal year in purchasing an alternative fuel vehicle and the cost of the same motor vehicle that uses a traditional fuel. If the same vehicle is not available, then the cost of the most similar vehicle, taking into account model, make, engine size, and options, that uses traditional fuel is used to determine the difference (39-22-516(2.5)(c)(I)).

To qualify for the credit, the motor vehicle must comply with the bin 1 of the federal 2 tier emissions standards published by the federal environmental protection agency.

The amount of the credit to be applied against the cost of a qualified vehicle is 85% of defined cost, limited to a total credit amount of \$6,000 (Sec. 39-22-516(2.6)(a), C.R.S.).

*Leased Vehicles: This credit is available to leased vehicles as well as purchasers of motor vehicles. The credit is calculated by subtracting the value of the vehicle when the lease expires from the cost of the vehicle to the lessor at the time of the lease transaction, and dividing the amount by the cost of the vehicle at the time of the lease transaction. This percentage is multiplied by the qualifying expenses to determine the amount of the expenditure that may be used in computing the credit. Only the lessor or lessee of the vehicle may claim the credit. If the vehicle is converted at the factory, the lessor has the option of claiming the credit or passing the right to claim the credit to the lessee. If the lessee converts the vehicle, only the lessee may claim the credit (Reg. 39-22-516(2.5)).

State Statutory references:

Colorado Revised Statutes 39-22-516

- <http://www.michie.com/colorado/lpext.dll?f=templates&fn=main-h.htm&cp=> (reproduced below)

Other Link(s):

This does not constitute tax advice. All persons considering use of available incentives should consult with their own tax professional to determine eligibility, specific amount of benefit available, if any, and further details.

- <http://www.afdc.energy.gov/afdc/laws/law/CO/5246> (AFDC website)

Contact Info: Colorado Department of Revenue: 1-303-238-7378

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Title 39 TAXATION

Article 22 INCOME TAX

Colo. Rev. Stat. § 39-22-516 Tax credit for purchase of vehicles using alternative fuels - repeal.

§ 39-22-516 -- Tax credit for purchase of vehicles using alternative fuels - repeal.

(1) (Repealed by L. 1992, c. 1191, § 1, eff. 7-1-94.)

(2) (Repealed by L. 1998, c. 304, § 2, eff. 7-1-98.)

(2.5)

(a) As used in this subsection (2.5), unless the context otherwise requires:

(I) "Alternative fuel" means an alternative fuel as defined in section 25-7-106.8(1)(a) , C.R.S.

(II) (Repealed by L. 2002, c. 273, § 3, eff. 8-7-02.)

(II.5) "Hybrid vehicle" means a motor vehicle with a hybrid propulsion system that uses an alternative fuel by operating on both an alternative fuel, including electricity, and a traditional fuel.

(III) "Motor vehicle" means any self-propelled vehicle required to be licensed or subject to licensing for operation upon the highways of this state, including a vehicle that uses a hybrid propulsion system.

(IV) "Near zero-emitting vehicle" means a motor vehicle exhibiting emissions characteristics that are near those of a zero-emitting vehicle. To qualify as a near zero-emitting vehicle, a motor vehicle must meet at least one of the following minimum requirements:

(A) The vehicle must be certified by the federal environmental protection agency as meeting an emission standard between the ultra-low-emitting vehicle emission standard and the zero-emitting vehicle emission standard; or

(B) The vehicle must be certified by the Federal Environmental Protection Agency as meeting the federal ultra-low-emitting vehicle emission standard and must be certified by any state as provided in the "Federal Clean Air Act" to an emission standard between the ultra-low-emitting vehicle emission standard and the zero-emitting vehicle emission standard.

(V) "Power source" means the engine or motor and associated wiring, fuel lines, engine coolant system, fuel storage containers, and miscellaneous components.

(VI) "Traditional fuel" means a petroleum-based motor fuel commonly used on the highways of this state in the year 1994.

(VII) "Uses an alternative fuel" or "to use an alternative fuel" means to operate solely on an alternative fuel, to operate on both an alternative fuel and a traditional fuel, or to operate alternately on a traditional fuel and an alternative fuel.

(b)

(I) (Repealed by L. 2009, c. 416, § 2, eff. 6-4-09.)

(II) With respect to tax years commencing on or after July 1, 2000, but prior to January 1, 2010, there shall be allowed to any person a credit against the tax imposed by this article for each motor vehicle owned by such person that:

(A) Is titled and registered in the state of Colorado; and

(B) Uses or is converted to use an alternative fuel, is a hybrid vehicle, or has its power source replaced with a power source that uses an alternative fuel.

(c) The amount of the credit allowed pursuant to this subsection (2.5) shall be an amount equal to the percentage, as set forth in paragraph (d) of this subsection (2.5), of the following:

(I) the difference between the actual cost incurred by such person during the tax year in purchasing a motor vehicle that uses an alternative fuel and the cost of the same motor vehicle that uses a traditional fuel or, if the same vehicle is not available, then the cost of the most similar vehicle, taking into account the model, make, engine size, and options, that uses a traditional fuel;

(II) The difference between the actual cost incurred by such person during the tax year in replacing an existing power source in a motor vehicle that uses a traditional fuel with a power source that uses an alternative fuel and the cost of replacing the existing power source in the motor vehicle with the same type of power source that uses a traditional fuel; or

(III) The actual cost incurred by such person during the tax year in converting the motor vehicle to a fuel system that uses an alternative fuel.

(d)

(I) For the purposes of paragraph (c) of this subsection (2.5), except as otherwise provided in subparagraph (II) of this paragraph (d), the percentage of the difference in actual cost incurred or the percentage of the actual cost incurred that may be claimed as a credit pursuant to paragraph (b) of this subsection (2.5) shall be as follows:

Certification

level:	Tax years commencing on or after July 1, 1998, but prior to January 1, 2007:	Tax years commencing on or after January 1, 2007, but prior to January 1, 2010:
Low-emitting vehicle	50%	50%

Ultra-low-emitting vehicle or inherently low-emitting vehicle	75%	75%
Zero-emitting vehicle	85%	85%

(II) For a motor vehicle purchase or power source replacement that permanently displaces a motor vehicle or power source that is ten years old or older, the percentage specified in subparagraph (I) that may be claimed pursuant to this paragraph (d) shall be multiplied by two, but in no event shall the percentage exceed one hundred percent. For the purposes of this subparagraph (II), “permanently displaces a motor vehicle or power source” means the vehicle or power source being replaced by the alternative fuel vehicle or power source will no longer be operated upon the highways of this state.

(e) The certification levels set forth in paragraph (d) of this subsection (2.5) shall have the same meaning as set forth in the air quality control commission regulations governing the clean fuel fleet program.

(f) A near zero-emitting vehicle shall be treated as a zero-emitting vehicle for all purposes under this subsection (2.5).

(g) (Repealed by L. 2009, c. 416, § 2, eff. 6-4-09.

(h) No more than one tax credit shall be granted pursuant to paragraph (d) of this subsection (2.5) for any individual motor vehicle.

(i) For income tax years commencing on and after January 1, 1999, but prior to January 1, 2010, a motor vehicle, conversion, or power source certified to the low-emitting vehicle emissions standard that is purchased by a person covered by the clean fuel fleet program in order to satisfy the minimum requirements of such program shall be eligible for a credit pursuant to this subsection (2.5).

(j) This subsection (2.5) is repealed, effective December 31, 2014.

(2.6)

(a) As used in this subsection (2.6), unless the context otherwise requires:

(I) “Actual cost incurred” means the actual cost paid by the purchaser for the vehicle, conversion, or idling reduction technologies. The actual cost paid shall be calculated as the net of any credits, grants, or rebates, including federal credits, grants, or rebates for which the purchaser is eligible, but excluding the credit specified in this subsection (2.6).

(II) “Alternative fuel” means an alternative fuel as defined in section 25-7-106.8(1)(a) , C.R.S.

(III) “Category 1” means a motor vehicle that complies with bin 1 of the federal tier 2 emissions standards published by the federal environmental protection agency in the federal register at 65 FR 6698 (February 10, 2000), as amended.

(IV) “Category 2” means light duty passenger vehicle diesel-electric hybrids with a minimum fuel economy of seventy miles per gallon.

(V) “Category 3” means light duty passenger vehicle, light duty truck, and medium duty truck diesel-electric hybrid conversions that increase the fuel economy of the original motor vehicle by forty percent or more. “Category 3” also means new medium duty trucks that are diesel-electric hybrids or gasoline-electric hybrids that have thirty percent better fuel economy than a comparable vehicle powered solely by a diesel or gasoline internal combustion engine. For purposes of establishing a comparable vehicle, the diesel or gasoline internal combustion engine shall be standard in a vehicle of the same model year and the same vehicle class as established by the United States environmental protection agency and be comparable in weight, size, and use. Fuel economy comparisons shall be made using city fuel economy standards in a manner that is substantially similar to the manner in which city fuel economy is measured in accordance with procedures set forth in 40 C.F.R. 600, as in effect on August 8, 2005.

(VI)

CAUTION: Subsection (2.6)(a)(VI) below is applicable to the tax years commencing before 12-31-2013. See also next version.

“Category 4” means light duty passenger vehicle, light duty truck, and medium duty truck compressed natural gas conversions certified by the United States environmental protection agency and original equipment manufacturer compressed natural gas vehicles.

(VI)

CAUTION: Subsection (2.6)(a)(VI) below is applicable to the tax years commencing on or after 1-1-2014. See also previous version.

“Category 4” means light duty passenger vehicle, light duty truck, and medium duty truck compressed natural gas or liquefied petroleum gas conversions certified by the United States environmental protection agency and original equipment manufacturer compressed natural gas vehicles.

(VII) “Category 5” means any idling reduction technologies.

(VIII) “Category 6” means a motor vehicle that complies with bin 2 or bin 3 of the federal tier 2 emissions standards published by the federal environmental protection agency in the federal register at 65 FR 6698 (February 10, 2000), as amended, with a minimum fuel economy of forty miles per gallon or miles per gallon gasoline equivalent or greater.

(IX)

(A) “Category 7” means a motor vehicle that complies with bin 2 or bin 3 of the federal tier 2 emissions standards published by the federal environmental protection agency in the federal register at 65 FR 6698 (February 10, 2000), as amended, with a minimum fuel economy of thirty miles per gallon or miles per gallon gasoline equivalent or greater, but less than forty miles per gallon or miles per gallon gasoline equivalent.

(B) “Category 7” shall not mean original equipment manufacturer compressed natural gas vehicles certified by the United States environmental protection agency.

(X) “Gross vehicle weight rating” or “GVWR” shall have the same meaning as set forth in section 42-2-402 (6) , C.R.S.

(XI) "Hybrid vehicle" means a motor vehicle with a hybrid propulsion system that operates on both electricity and an alternative fuel or traditional fuel.

(XII) "Idling reduction technologies" means idling reduction devices or advanced insulation, as those terms are defined in section 4053 of the internal revenue code, as amended, exempt from federal excise tax pursuant to said section 4053.

(XIII) "Light duty passenger vehicle" means a private passenger vehicle, including vans, capable of seating twelve passengers or less; except that the term does not include motor homes as defined in section 42-1-102(57) , C.R.S., or vehicles designed to travel on three or fewer wheels in contact with the ground.

(XIV) "Light duty truck" means a truck between zero and fourteen thousand pounds GVWR.

(XV) "Medium duty truck" means a truck with a gross vehicle weight rating greater than fourteen thousand pounds up to twenty-six thousand pounds.

(XVI) "Miles per gallon gasoline equivalent" means the standard unit of measure that measures how many miles an alternative vehicle can travel on the equivalent energy of one United States gallon of traditional fuel.

(XVII) "Motor vehicle" means any self-propelled vehicle, including a vehicle that uses a hybrid propulsion system, that is:

(A) Titled and registered in the state; and

(B) Required to be licensed or subject to licensing for operation upon the highways of the state.

(XVIII) "Plug-in hybrid electric vehicle" means:

(A) An original equipment manufacturer plug-in hybrid electric vehicle that can operate solely on electric power and that is capable of recharging its battery from an on-board generation source and an off-board electricity source; and

(B) A plug-in hybrid electric vehicle conversion that provides an increase in city fuel economy of seventy-five percent or more as compared to a comparable nonhybrid version vehicle for a minimum of twenty miles and that is capable of recharging its battery from an on-board generation source and an off-board electricity source. A vehicle shall be comparable if it is the same model year and the same vehicle class as established by the United States environmental protection agency and is comparable in weight, size, and use. Fuel economy comparisons shall be made using city fuel economy standards in a manner that is substantially similar to the manner in which city fuel economy is measured in accordance with procedures set forth in 40 CFR 600, as in effect on August 8, 2005.

(XIX) "Power source" means the engine or motor and associated wiring, fuel lines, engine coolant system, fuel storage containers, and miscellaneous components.

(XX) "Traditional fuel" means a petroleum-based motor fuel commonly used on the highways of this state in the year 2008.

(XXI) "Uses an alternative fuel" or "to use an alternative fuel" means to operate solely on an alternative fuel, to operate on both an alternative fuel and a traditional fuel, or to operate alternately on a traditional fuel and an alternative fuel.

(b)

(I) Except as provided in subparagraph (II) of this paragraph (b), with respect to the tax years commencing on January 1, 2010, and January 1, 2011, there shall be allowed to any person a credit against the tax imposed by this article, not to exceed six thousand dollars, for each motor vehicle owned by such person that:

- (A)** Uses or is converted to use an alternative fuel;
- (B)** Is a hybrid vehicle;
- (C)** Is a plug-in hybrid electric vehicle;
- (D)** Has its power source replaced with a power source that uses an alternative fuel;
- (E)** Is modified to include idling reduction technology; or
- (F)** Is converted to a plug-in hybrid electric vehicle.

(II) With respect to the tax years commencing on January 1, 2010, and January 1, 2011, there shall be allowed to any person a credit against the tax imposed by this article for each category 4 vehicle.

(III) There shall be allowed to any person a credit against the tax imposed by this article, not to exceed six thousand dollars, for each category 7 vehicle purchased by such person on or after January 1, 2010, but before January 1, 2011.

(c) The amount of the credit allowed pursuant to this subsection (2.6) shall be an amount equal to the percentage, as set forth in paragraph (d) of this subsection (2.6), of the following:

- (I)** The difference between the actual cost incurred by such person during the tax year in purchasing a motor vehicle that uses an alternative fuel and the cost of the same motor vehicle that uses a traditional fuel or, if the same vehicle is not available, then the cost of the most similar vehicle, taking into account the model, make, engine size, and options, that uses a traditional fuel;
- (II)** The difference between the actual cost incurred by such person during the tax year in replacing an existing power source in a motor vehicle that uses a traditional fuel with a power source that uses an alternative fuel and the cost of replacing the existing power source in the motor vehicle with the same type of power source that uses a traditional fuel;
- (III)** The actual cost incurred by such person during the tax year in converting the motor vehicle to a fuel system that uses an alternative fuel;
- (IV)** The actual cost incurred by such person in purchasing idling reduction technologies; or
- (V)**
 - (A)** The actual cost incurred by such person during the tax year in converting a hybrid vehicle to a plug-in hybrid electric vehicle.
 - (B)** Persons who claimed a tax credit in previous years for the purchase of model year 2004 and newer hybrid vehicles are eligible to claim an additional credit for the conversion of such a hybrid vehicle to a plug-in hybrid electric vehicle.

(d)

(I) Except as provided in subparagraph (II) of this paragraph (d), for the purposes of paragraph (c) of this subsection (2.6), the percentage of the difference in actual cost incurred or the percentage of the actual cost incurred that may be claimed as a credit pursuant to paragraph (b) of this subsection (2.6) shall be as follows:

Category:	Income tax years commencing on or after January 1, 2010, but prior to January 1, 2012:
Category 1	85%
Category 2	65%
Category 3	75%
Category 4	75%
Category 5	25%
Category 6	75%

(II) For the purchase or conversion of a category 3 or category 4 medium duty truck that permanently displaces a motor vehicle or power source that is twelve years old or older, the percentages specified for category 3 and category 4 in subparagraph (I) of this paragraph (d) shall be multiplied by one and twenty-five one-hundredths, but in no event shall the percentage exceed one hundred percent. For purposes of this subparagraph (II), "permanently displaces a motor vehicle or power source" means the vehicle or power source being replaced will be rendered inoperable and donated to an established auto parts recycler, as defined in section 42-4-2201(1), C.R.S., or a scrap metal recycler, that operates pursuant to all laws, rules, and regulations of the state and the United States environmental protection agency regarding recycling.

(III) For the purposes of paragraph (c) of this subsection (2.6), the percentage of the difference in actual cost incurred or the percentage of the actual cost incurred that may be claimed as a credit for the purchase of a category 7 motor vehicle pursuant to subparagraph (III) of paragraph (b) of this subsection (2.6) shall be fifty percent.

(e) Except as provided in sub-subparagraph (b) of subparagraph (V) of paragraph (c) of this subsection (2.6), no more than one tax credit shall be granted pursuant to paragraph (d) of this subsection (2.6) for any individual motor vehicle.

(f) If a credit authorized in this subsection (2.6) exceeds the income tax due on the income of the taxpayer for the taxable year, the excess credit may not be carried forward and shall be refunded to the taxpayer.

(g) This subsection (2.6) is repealed, effective December 31, 2016.

(2.7)

(a) As used in this subsection (2.7), unless the context otherwise requires:

(I) "Alternative fuel" shall have the same meaning as set forth in Title III of the federal "Energy Policy Act of 1992", Public Law 102-486, as amended.

(II) "Renewable energy source" means an alternative fuel that comes from a source that is not depleted with use or that can be replenished indefinitely including solar, wind, hydropower, biomass, geothermal, or other similar source. Alternative fuels from a renewable energy source shall include ethanol from biomass, natural gas from waste treatment plants or landfills, electricity from wind, solar, or hydro power, and other

alternative fuels from similar sources in conformance with this subparagraph (II) as designated by the air quality control commission.

(b) With respect to tax years commencing on or after January 1, 1998, but prior to January 1, 2011, there shall be allowed to any person a credit against the tax imposed by this article in an amount equal to a percentage, as determined pursuant to paragraph (c) of this subsection (2.7), of the actual cost incurred by the person during the tax year in constructing, reconstructing, or acquiring an alternative fuel refueling facility that is directly attributable to the storage, compression, charging, or dispensing of alternative fuels to motor vehicles.

(c) A person may claim the following percentage of costs described in paragraph (b) of this subsection (2.7) as a credit pursuant to this subsection (2.7):

(I) Fifty percent of the costs incurred on or after January 1, 1998, but prior to January 1, 2006;

(II) Thirty-five percent of the costs incurred on or after January 1, 2006, but prior to January 1, 2009;

(III) Twenty percent of the costs incurred on or after January 1, 2009, but prior to July 1, 2011.

(d) For an alternative fuel refueling facility that will be generally accessible for use by persons in addition to the person claiming the credit, the percentage that may be claimed in paragraph (c) shall be multiplied by one and one-fourth.

(e) For an alternative fuel refueling facility that dispenses an alternative fuel derived from a renewable energy source, the percentage credit that may be claimed pursuant to paragraph (c) of this subsection (2.7) shall be multiplied by one and one-fourth. For a person to receive a higher percentage calculated pursuant to this paragraph (e), such person shall provide certification that at least seventy percent of the alternative fuel dispensed each year by the refueling facility will be derived from a renewable energy source for ten years.

(f) A person may elect to claim an increased percentage credit pursuant to either paragraph (d) or (e) of this subsection (2.7); except that in no event may both be relied upon to increase the credit.

(g) The aggregate amount of credit claimed by a person for any one alternative fuel refueling facility pursuant to this subsection (2.7) shall not exceed four hundred thousand dollars during any period of five consecutive tax years.

(h) In no event shall any person claim a credit for all or any portion of the cost of constructing, reconstructing, or acquiring an alternative fuel refueling facility, or any equipment used in connection with such facility, for which the person or any other person has previously claimed a credit pursuant to this subsection (2.7).

(3) Except as provided in paragraph (f) of subsection (2.6) of this section, the credits allowed by this section for any income tax year shall not exceed the taxpayer's actual tax liability for such taxable year. If the amount of the credit allowed by this section exceeds the taxpayer's actual tax liability for any income tax year in which the credit is claimed, referred to in this subsection (3) as the "unused credit year", such excess shall be an investment tax credit carryover to each of the five income tax years following the unused credit year and shall be applied first to the earliest income tax years possible.

(4) This section is repealed, effective December 31, 2016.

(5) If any provision of this section or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this section that can be given effect without the invalid provision or application, and to this end the provisions of this section are declared to be severable.

(§ 39-22-516 enacted by L. 1992, H.B.92-1191, § 1; amended by L. 1998, c. 304, § 2; L. 1999, c. 248, § 10; L. 2000, c. 301, § 1; L. 2003, c. 162, §§ 1, 2; L. 2005, c. 195, § 1; L. 2009, c. 416, §§ 2, 3 ; L. 2010, c. 12, §§ 1, 2 ; L. 2011, c. 262, § 1 .)

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1 CCR 201-2. INCOME TAX

Colo. Code Regs. 39-22-516(2.5) Alternative fuel vehicle credit.

State & Local Regulations

39-22-516(2.5). Alternative fuel vehicle credit.

(1) Credit allowed. For income tax years beginning on or after July 1, 1998, but prior to July 1, 2011, a Colorado income tax credit is allowed for the purchase of an alternative fuel vehicle, for a motor vehicle that is converted to use alternative fuel, or for the replacement of the power source with a power source that uses alternative fuel.

(2) Credit calculation. The credit is a percentage of:

(a) The difference between the cost of the vehicle and the cost of the same or most similar vehicle that uses a traditional fuel, or

(b) The cost incurred in converting the vehicle to an alternative fuel, or

(c) The difference between the cost of replacing the power source and the cost of the same or most similar power source that uses a traditional fuel. In (a) and (c) above, if the cost of the traditional fuel option is greater than or equal to the cost of the alternative fuel option, then the credit will be equal to \$0.

(3) The basic percentage of the credit depends on the certification level of the vehicle and the year in which the expenditure is made, as follows:

Certification	Tax year	Tax year	Tax year	level	beginning prior	beginning prior	beginning prior
Low-emitting vehicle	50%	25%	0%				
Ultra-low-emitting vehicle or inherently-low-emitting vehicle	75%	50%	25%				
Zero-emitting vehicle	85%	75%	50%				

These percentages are doubled, up to a maximum credit of 100%, if the vehicle or power source permanently displaces (will never be operated on Colorado highways or roads in the future) a vehicle or power source that is ten years old or older

(4) Vehicle requirements. To qualify for the credit:

(a) The vehicle must be titled and registered in Colorado, and

(b)

(I) For tax years beginning prior to July 1, 2000, the vehicle must be used in connection with a business. If a vehicle is used part of the time for business use and part of the time for personal use, the credit must be prorated in proportion to the percentage of time during the tax year that the motor vehicle was used for business purposes.

(II) For tax year tax years beginning on or after July 1, 2000, the vehicle may be used for business or personal use.

(5) A vehicle can qualify for this credit one time. To claim the credit on the purchase of a used vehicle a taxpayer must:

(a) Provide a history of the vehicle indicating the prior owners and why they did not claim this credit.

(b) Provide the cost difference used in computing the credit and the basis on which it is computed.

(I) The cost difference will usually decrease ratably with the decrease in the value of the vehicle. For example, if the price paid for the used vehicle is 40% of the original MSRP, then the credit allowed will be 40% of the credit available for that vehicle when new.

(II) The condition of the comparison vehicle must be comparable to the alternative fuel vehicle. For example, if a ten-year old vehicle had a new alternative fuel engine put in one year ago, then the vehicle must be compared to the most similar vehicle valued with a one year old gas engine, not a ten-year old engine.

(6) Low emitting vehicle restriction.

(a) For tax years beginning prior to January 1, 1999, if the expenditure qualifies at the low-emitting vehicle level, and the purchase is made in order to satisfy the minimum requirements of the clean fuel fleet program, the expenditure will not qualify for this credit.

(b) For tax years beginning on or after January 1, 1999, the restriction in paragraph (6)(a) above, no longer applies to the credit.

(7) Lessees of vehicles.

(a) Lessees of qualifying vehicles are eligible for the alternative fuel vehicle credit. The available credit is calculated by subtracting the value of the vehicle when the lease expires from the cost of the vehicle to the lessor at the time of the lease transaction (capitalized cost), and dividing that amount by the cost of the vehicle to the lessor at the time of the lease transaction. This percentage is then multiplied by the qualifying expenses to determine the amount of the expenditure that can be used in computing the amount of the credit.

(b) Only the lessor or lessee of the vehicle may claim the credit. If the vehicle is converted at the factory, the lessor has the option of claiming the credit or passing the right to claim the credit to the lessee. If the lessee converts the vehicle, then only the lessee may claim the credit.

(8) Credit carryovers. If the credit allowed by this section exceeds the taxpayer's tax liability, such excess may be carried forward for up to five income tax years.

(9) Limitation from other rebate programs. Any expenses reimbursed by a rebate issued by the Office of Energy Conservation or any other entity will not qualify for this credit.

(10) Zero-emitting vehicles will include near-zero emitting vehicles.

(§ 39-22-516(2.5) adopted eff. 8-1-00; revised eff. 3-2-01; 2-1-06; 1-30-07.)
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FORM 104CR—INDIVIDUAL CREDIT SCHEDULE

Taxpayer's Name Social Security Number

Part I—Colorado Child Care Credit:

ROUND ALL DOLLAR AMOUNTS TO THE NEAREST DOLLAR

Table with 6 rows for Colorado Child Care Credit calculations, including Federal adjusted gross income, federal tax, and credit amount.

Table for listing eligible child's name, date of birth, and social security number.

Part II—Other Refundable Credits

Table for Other Refundable Credits, including refundable alternative fuel vehicle credit and total refundable credits.

Part III—Enterprise Zone Credits

If credit is passed through from an S corporation or a partnership, give name, ownership percentage and Colorado account number of the organization, and attach a copy of the corporation or partnership certification.

Table for Enterprise Zone Credits with columns for Name, Ownership %, and Account Number.

The enterprise zone credits entered on lines 10 through 18 are nonrefundable. Consequently, the total credits used for tax year 2010 may not exceed your 2010 income tax liability.

Table for Enterprise Zone Credits with columns for description, Column (a), and Column (b).

FORM 104CR—2010 INDIVIDUAL CREDIT SCHEDULE

Taxpayer's Name	Social Security Number
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The personal credits entered on lines 27 through 45 are nonrefundable. Consequently, the total credits used for tax year 2010 may not exceed your 2010 income tax liability. Calculate and enter the total credit available in Column (a). Enter in column (b) only the amount of the credit to be applied against this year's tax liability. For most credits, any difference in the amounts in Columns (a) and (b) for a given line may be entered at the end of this form and carried forward to the following year.

Part IV—Personal Credits

Credit for income tax paid to another state—Compute a separate credit for each state. **Attach a copy of the tax return filed with the other state.**

Part-year and nonresidents generally do not qualify for this credit. Read instructions and **FYI 17** carefully before completing this section.

21	Total of lines 15 and 16, Form 104	21		.00
22	Modified Colorado adjusted gross income from sources in other state	22		.00
23	Total modified Colorado adjusted gross income	23		.00
24	Amount on line 22 divided by amount on line 23	24	%	
25	Amount on line 21 multiplied by percentage on line 24	25		.00
26	Tax liability to the other state	26		.00
27	Allowable credit, the smaller of lines 25 or 26	27		.00

Other Personal Credits

			Column (a)		Column (b)
28	Plastic recycling investment credit (check if carryforward from prior year <input type="checkbox"/>)	28	.00	●	.00
29	Colorado minimum tax credit (2010 federal minimum tax credit \$_____)	29	.00	●	.00
30	Historic property preservation credit (check if carryforward from prior year <input type="checkbox"/>)	30	.00	●	.00
31	Child care center investment credit (check if carryforward from prior year <input type="checkbox"/>)	31	.00	●	.00
32	Employer child care facility investment credit (check if carryforward from prior year <input type="checkbox"/>)	32	.00	●	.00
33	School-to-career investment credit (check if carryforward from prior year <input type="checkbox"/>)	33	.00	●	.00
34	Colorado works program credit (check if carryforward from prior year <input type="checkbox"/>)	34	.00	●	.00
35	Child care contribution credit (check if carryforward from prior year <input type="checkbox"/>)	35	.00	●	.00
36	Rural technology enterprise zone credit (carryforward only)	36	.00	●	.00
37	Long term care insurance credit	37	.00	●	.00
38	Contaminated land redevelopment credit (check if carryforward from prior year <input type="checkbox"/>)	38	.00	●	.00
39	Low-income housing credit (check if carryforward from prior year <input type="checkbox"/>)	39	.00	●	.00
40	Aircraft manufacturer new employee credit (check if carryforward from prior year <input type="checkbox"/>)	40	.00	●	.00
41	Gross conservation easement credit (check if carryforward from prior year <input type="checkbox"/>)	41	.00	●	.00
42	Job growth incentive tax credit	42	.00	●	.00
43	Colorado innovation investment tax credit	43	.00	●	.00
44	Alternative fuel refueling facility credit (check if carryforward from prior year <input type="checkbox"/>)	44	.00	●	.00
45	Nonrefundable alternative fuel vehicle credit (carried forward only)	45	.00	●	.00
46	Total of lines 28 through 45, column (b)	46			.00
47	Total non-refundable credits, add lines 19, 27 and 46. Enter here and on line 19 of Form 104	47			.00

If the total entered on line 47 of this Form 104CR exceeds the total of lines 15 and 16, Form 104, see the limitation at the bottom of this form.
Credits to be carried forward to 2011:

LIMITATION: The total credits you claim on line 47 of this Form 104CR are non-refundable; consequently, the total credits utilized may not exceed the total tax reported on lines 15 and 16 of your income tax return, Form 104. Most unused 2010 credits can be carried forward to tax year 2011. If the total credits available exceed the total tax due for 2010 list the credit type(s) and excess amount(s) above under "Credits to be carried forward to 2011".

ATTACH THIS FORM TO YOUR COMPLETED INCOME TAX RETURN FORM 104