

Income Tax - Tax Exempt Status

Who is eligible for Colorado income tax exempt status?

The Colorado Income Tax Act provides that a person or organization that is exempt from federal income tax is also exempt from Colorado income tax. The State of Colorado generally does not make determinations as to the income tax exempt status of a person or organization. Insurance companies are exempt from Colorado income tax because they are subject to a premium tax by the Colorado Division of Insurance. An insurance agency is not an insurance company. [§39-22-112(1),CRS].