

Regulation 39-22-128. Credit for forced sale of livestock due to weather conditions – credit of 4.63% for income deferred from federal taxable income under IRC section 451(e).

1. For any income tax year commencing on or after January 1, 2002 but prior to January 1, 2004, a taxpayer that defers income under Internal Revenue Code (IRC) section 451(e) will be allowed a credit against Colorado income tax. The credit is earned and may be used in the same year the income is deferred on the federal tax return. The credit is computed as 4.63% of the income deferred under IRC section 451(e).
2. If the credit under (1) exceeds the income tax due, excess credit may be carried forward for five years. Excess credit is not refundable in any tax year.
3. This section does not create any modification, subtraction or addition to federal taxable income related to deferral of income or deferred reporting of income under IRC 451(e).