

First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

BILL C

LLS NO. 13-0119.01 Esther van Mourik x4215

SENATE BILL

SENATE SPONSORSHIP

Nicholson and Roberts,

HOUSE SPONSORSHIP

Gerou and Levy,

Senate Committees

House Committees

A BILL FOR AN ACT

101 CONCERNING THE EXTENSION OF FINANCIAL INCENTIVES FOR
102 WILDFIRE MITIGATION.

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/billsummaries>.)

Lower North Fork Wildfire Commission. **Section 1** of the bill continues an income tax deduction for a landowner who performs wildfire mitigation measures on private land in a wildland-urban interface area. **Section 2** of the bill continues the authority of the Colorado water resources and power development authority to issue bonds for the

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.

purposes of funding watershed protection and forest health projects.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-104, **add** (4)
3 (n.5) as follows:

4 **39-22-104. Income tax imposed on individuals, estates, and**
5 **trusts - single rate - definitions - repeal.** (4) There shall be subtracted
6 from federal taxable income:

7 (n.5) (I) (A) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
8 JANUARY 1, 2014, BUT PRIOR TO JANUARY 1, 2025, AN AMOUNT EQUAL TO
9 FIFTY PERCENT OF A LANDOWNER'S COSTS INCURRED IN PERFORMING
10 WILDFIRE MITIGATION MEASURES IN THAT INCOME TAX YEAR ON HIS OR
11 HER PROPERTY LOCATED WITHIN THE STATE; EXCEPT THAT THE AMOUNT
12 OF THE DEDUCTION CLAIMED IN AN INCOME TAX YEAR SHALL NOT EXCEED
13 TWO THOUSAND FIVE HUNDRED DOLLARS OR THE TOTAL AMOUNT OF THE
14 LANDOWNER'S FEDERAL TAXABLE INCOME FOR THE INCOME TAX YEAR FOR
15 WHICH THE DEDUCTION IS CLAIMED, WHICHEVER IS LESS.

16 (B) IN THE CASE OF TWO INDIVIDUALS FILING A JOINT RETURN, THE
17 AMOUNT SUBTRACTED FROM FEDERAL TAXABLE INCOME SHALL NOT
18 EXCEED TWO THOUSAND FIVE HUNDRED DOLLARS IN ANY TAXABLE YEAR.
19 IN THE CASE OF A MARRIED INDIVIDUAL WHO FILES A SEPARATE RETURN,
20 ONLY ONE INDIVIDUAL IN THE MARRIAGE MAY CLAIM THE DEDUCTION
21 SPECIFIED IN THIS PARAGRAPH (n.5).

22 (C) IN THE CASE OF REAL PROPERTY OWNED AS TENANTS IN
23 COMMON, THE DEDUCTION ALLOWED PURSUANT TO THIS PARAGRAPH (n.5)
24 SHALL ONLY BE ALLOWED TO ONE OF THE INDIVIDUALS OF THE OWNERSHIP
25 GROUP.

1 (II) A LANDOWNER WHO PERFORMS WILDFIRE MITIGATION
2 MEASURES ON HIS OR HER REAL PROPERTY LOCATED WITHIN THE STATE
3 MAY CLAIM THE DEDUCTION AUTHORIZED BY THIS PARAGRAPH (n.5) IF THE
4 WILDFIRE MITIGATION MEASURES ARE PERFORMED IN A WILDLAND-URBAN
5 INTERFACE AREA.

6 (III) FOR PURPOSES OF THIS PARAGRAPH (n.5):

7 (A) "COLORADO STATE FOREST SERVICE" MEANS THE COLORADO
8 STATE FOREST SERVICE IDENTIFIED IN SECTION 23-31-302, C.R.S.

9 (B) "COSTS" MEANS ANY ACTUAL OUT-OF-POCKET EXPENSE
10 INCURRED AND PAID BY THE LANDOWNER, DOCUMENTED BY RECEIPT, FOR
11 PERFORMING WILDFIRE MITIGATION MEASURES. "COSTS" DO NOT INCLUDE
12 ANY INSPECTION OR CERTIFICATION FEES, IN-KIND CONTRIBUTIONS,
13 DONATIONS, INCENTIVES, OR COST SHARING ASSOCIATED WITH
14 PERFORMING WILDFIRE MITIGATION MEASURES. "COSTS" DO NOT INCLUDE
15 EXPENSES PAID BY THE LANDOWNER FROM ANY GRANTS AWARDED TO THE
16 LANDOWNER FOR PERFORMING WILDFIRE MITIGATION MEASURES.

17 (C) "LANDOWNER" MEANS ANY OWNER OF RECORD OF PRIVATE
18 LAND LOCATED WITHIN THE STATE, INCLUDING ANY EASEMENT,
19 RIGHT-OF-WAY, OR ESTATE IN THE LAND, AND INCLUDES THE HEIRS,
20 SUCCESSORS, AND ASSIGNS OF SUCH LAND, AND SHALL NOT INCLUDE ANY
21 PARTNERSHIP, S CORPORATION, OR OTHER SIMILAR ENTITY THAT OWNS
22 PRIVATE LAND AS AN ENTITY.

23 (D) "WILDFIRE MITIGATION MEASURES" MEANS THE CREATION OF
24 A DEFENSIBLE SPACE AROUND STRUCTURES; THE ESTABLISHMENT OF FUEL
25 BREAKS; THE THINNING OF WOODY VEGETATION FOR THE PRIMARY
26 PURPOSE OF REDUCING RISK TO STRUCTURES FROM WILDLAND FIRE; OR
27 THE SECONDARY TREATMENT OF WOODY FUELS BY LOPPING AND

1 SCATTERING, PILING, CHIPPING, REMOVING FROM THE SITE, OR PRESCRIBED
2 BURNING; SO LONG AS SUCH ACTIVITIES MEET OR EXCEED ANY COLORADO
3 STATE FOREST SERVICE STANDARDS OR ANY OTHER APPLICABLE STATE
4 RULES.

5 (IV) THIS PARAGRAPH (n.5) IS REPEALED, EFFECTIVE JANUARY 1,
6 2026.

7 **SECTION 2.** In Colorado Revised Statutes, 37-95-112.5, **amend**
8 (5) as follows:

9 **37-95-112.5. Watershed protection and forest health projects**
10 **- repeal.** (5) This section is repealed, effective ~~July 1, 2013~~ JULY 1, 2023.
11 Such repeal shall not nullify, abrogate, alter, or otherwise affect any
12 extant obligations under this article at the time of the repeal.

13 **SECTION 3. Safety clause.** The general assembly hereby finds,
14 determines, and declares that this act is necessary for the immediate
15 preservation of the public peace, health, and safety.