

Be it enacted by the People of the State of Colorado:

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By Steven Ward at 2:51 pm, Apr 03, 2020

SECTION 1. In Colorado Revised Statutes, 39-22-104, **amend** (1.7) as follows:

39-22-104. Income tax imposed on individuals, estates, and trusts - single rate - legislative declaration - definitions - repeal.

(1.7) (a) Except as otherwise provided in section 39-22-627, subject to subsection (2) of this section, with respect to taxable years commencing on or after January 1, 2000, BUT BEFORE JANUARY 1, 2020, a tax of four and sixty-three one-hundredths percent is imposed on the federal taxable income, as determined pursuant to section 63 of the internal revenue code, of every individual, estate, and trust.

(b) EXCEPT AS OTHERWISE PROVIDED IN SECTION 39-22-627, SUBJECT TO SUBSECTION (2) OF THIS SECTION, WITH RESPECT TO TAXABLE YEARS COMMENCING ON OR AFTER JANUARY 1, 2020, A TAX OF FOUR AND FIFTY-FIVE ONE-HUNDREDTHS PERCENT IS IMPOSED ON THE FEDERAL TAXABLE INCOME, AS DETERMINED PURSUANT TO SECTION 63 OF THE INTERNAL REVENUE CODE, OF EVERY INDIVIDUAL, ESTATE, AND TRUST.

SECTION 2. In Colorado Revised Statutes, 39-22-301, **amend** (1)(d)(I)(I); and **add** (1)(d)(I)(J) as follows:

39-22-301. Corporate tax imposed. (1) (d) (I) A tax is imposed upon each domestic C corporation and foreign C corporation doing business in Colorado annually in an amount of the net income of such C corporation during the year derived from sources within Colorado as set forth in the following schedule of rates:

(I) Except as otherwise provided in section 39-22-627, for income tax years commencing on or after January 1, 2000, BUT BEFORE JANUARY 1, 2020, four and sixty-three one-hundredths percent of the Colorado net income;

(J) EXCEPT AS OTHERWISE PROVIDED IN SECTION 39-22-627, FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2020, FOUR AND FIFTY-FIVE ONE-HUNDREDTHS PERCENT OF THE COLORADO NET INCOME.

SECTION 3 In Colorado Revised Statutes, 39-22-604, **amend** (18)(a) introductory portion and (18)(b) as follows:

39-22-604. Withholding tax - requirement to withhold – tax lien - exemption from lien - definitions. (18) (a) Any person who makes a payment for services to any natural person that is not otherwise subject to state income tax withholding but that requires an information return, including but not limited to any payment for which internal revenue service form 1099-B, 1099-DIV, 1099-INT, 1099-MISC, 1099-OID, or 1099-PATR, the issuance of any of which allows taxpayer identification number verification through the taxpayer identification number matching program administered by the internal revenue service, or any other version of form 1099 is required, shall deduct and withhold state income tax at the rate of ~~four and sixty-three one-hundredths percent~~ SET FORTH IN SECTION 39-22-104 OR 39-22-301 if the person who performed the services:

(b) Any person other than a natural person and any natural person who in the course of conducting a trade or business as a sole proprietor makes any payment for services to a natural person that is not reported on any information return shall deduct and withhold state income tax at the rate of ~~four and sixty-three one-hundredths percent~~ SET FORTH IN SECTION 39-22-

104, unless the employer making payment has a validated taxpayer identification number from the person to whom payment is made.

SECTION 4. Effective date. THIS ACT SHALL TAKE EFFECT UPON PROCLAMATION BY THE GOVERNOR.