

2025-2026 #119 - Final

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

SECTION 1. In Colorado Revised Statutes, 39-22-104, **amend** (3)(t); **repeal** (3)(u); and **add** (4)(ff) as follows:

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

(3) There shall be added to the federal taxable income:

(t) For income tax years commencing on or after January 1, 2025, an amount equal to the amount of employer contribution that an employee forfeits pursuant to section 39-22-558 (3)(c) and that the taxpayer had previously subtracted from the taxpayer's federal taxable income pursuant to subsection (4)(bb) of this section. ~~and~~

(u) ~~The amount of any overtime compensation excluded or deducted from federal gross income.~~

(4) There shall be subtracted from federal taxable income:

(ff) THE AMOUNT OF TIPS OR OVERTIME COMPENSATION INCLUDED IN THE TAXPAYER'S FEDERAL TAXABLE INCOME.