



Senate Bill 12-166 establishes an annual report date of November 1st for programs managed by the Colorado Office of Economic Development and International Trade (OEDIT). With a new electronic Enterprise Zone certification system implemented in December 2011 that allows for information to be collected and compiled more quickly and to transition to the new November 1st reporting date, two years of data are included in this report.

Enterprise Zone Reporting

The Enterprise Zone statute requires the Colorado Office of Economic Development and International Trade (OEDIT) to report data on Enterprise Zone tax credits in its annual report. Additional detail is available on OEDIT's Enterprise Zone website, www.advancecolorado.com/ez. Local Enterprise Zone Reports, which are required to be submitted to OEDIT and include local zone objectives and data, are completed on a calendar year basis and are also posted on OEDIT's Enterprise Zone website.

Summary

The Enterprise Zone (EZ) program is one of the largest economic development programs in the state. On average, 5,000-6,000 businesses in distressed areas annually perform activities that improve economic conditions in distressed areas and earn an Enterprise Zone tax credit(s). In 2011 and 2012, businesses in the Enterprise Zone earned Enterprise Zone tax credits associated with the following metrics:

Jobs Created

- 2012: 6,015 jobs
- 2013: 7,212 jobs

Jobs Retained

- 2012: 178,019 jobs
- 2013: 164,689 jobs

Jobs Retained is defined as employment at the beginning of the year for those certifiers with employment growth, plus employment at the end of the year for those reporting no employment growth or a loss.

Investment

- 2012: \$3,336,859,091
- 2013: \$3,890,767,865

Investment is the investment made by businesses that is associated with the EZ Investment Tax Credit.

Job Training

- 2012: 38,374 employees trained.
- 2013: 70,345 employees trained.
- 2012: \$56,507,131 invested in training.
- 2013: \$73,982,495 invested in training.

Small Business Data

- 2012 and 2013:
 - 99% of EZ tax credits were certified for small businesses.*
 - 86% had less than 50 employees.

*Defined as companies with 500 or fewer employees, per the U.S. Small Business Administration (SBA).

Industry Data

- The agricultural industry has the largest number of businesses earning Enterprise Zone tax credits with 34% of certifications being for the agricultural industry in both 2012 and 2013.

Project Data

In addition to the Enterprise Zone business tax credits, non-profit and local government projects leverage the Enterprise Zone Contribution Tax Credit to help raise money for projects that improve economic conditions in distressed areas. Visit www.advancecolorado.com/ezcontributionprojects for a list of Enterprise Zone Contribution Projects.

- 2012: 27,698 donors contributed \$46,829,950 to Enterprise Zone economic and community development projects and earned an Enterprise Zone Contribution Tax Credit.
- 2013: 21,036 donors contributed \$47,180,788 to Enterprise Zone economic and community development projects and earned an Enterprise Zone Contribution Tax Credit.

Background

The Colorado Urban and Rural Enterprise Zone statute, C.R.S 39-30-101 to 109, provides that local governments may propose areas for designation as an Enterprise Zone. It sets forth three criteria to measure economic distress in order for an area to qualify for Enterprise Zone designation:

- Unemployment rate greater than 25 percent above the state average; or
- Per capita income less than 75 percent of the state average; or
- Population growth less than 25 percent of the state average.

In addition, the total population residing within an Enterprise Zone boundary cannot exceed 115,000 people in urban or 150,000 in rural Enterprise Zones.

The Colorado Economic Development Commission (EDC) has the authority to designate and terminate areas as Enterprise Zones. This authority rested with the executive director of the Department of Local Affairs prior to 1996.

- The statute, passed in 1986, originally allowed up to 6 areas (4 rural and 2 urban) to be designated as Enterprise Zones.
- In 1990, the General Assembly amended this limit in statute to its current limit of 16 zones, so that areas of equal distress could also participate in this program.
- In 1996, amendments were made to the Act which gave the EDC the ability to terminate zone areas.
- In 1997, the EDC reviewed available data on economic conditions in Enterprise Zone areas, and terminated those areas that it determined no longer met the distress criteria. These terminations took effect July 1, 1998.
- In 2002, in light of the downturn in the state's economy, the General Assembly amended the Enterprise Zone Act to repeal the previous requirement that the EDC review all Enterprise Zone areas within 12 months of the publication of socio-economic data from the decennial U.S. Census.
- In 2010, the General Assembly implemented a requirement that the Director of OEDIT and the EDC review Enterprise Zone boundaries every 5 years beginning in 2016, except in periods of high unemployment.
- Based on legislation signed in the Spring of 2013, effective January 1, 2014, the New Business Facility requirements on the 3 NBF credits (the employee credit, the agricultural processing employee credit, and the employer-sponsored health insurance credit) are eliminated, meaning that you don't have to be a new business to claim the credit. Instead, a business must only

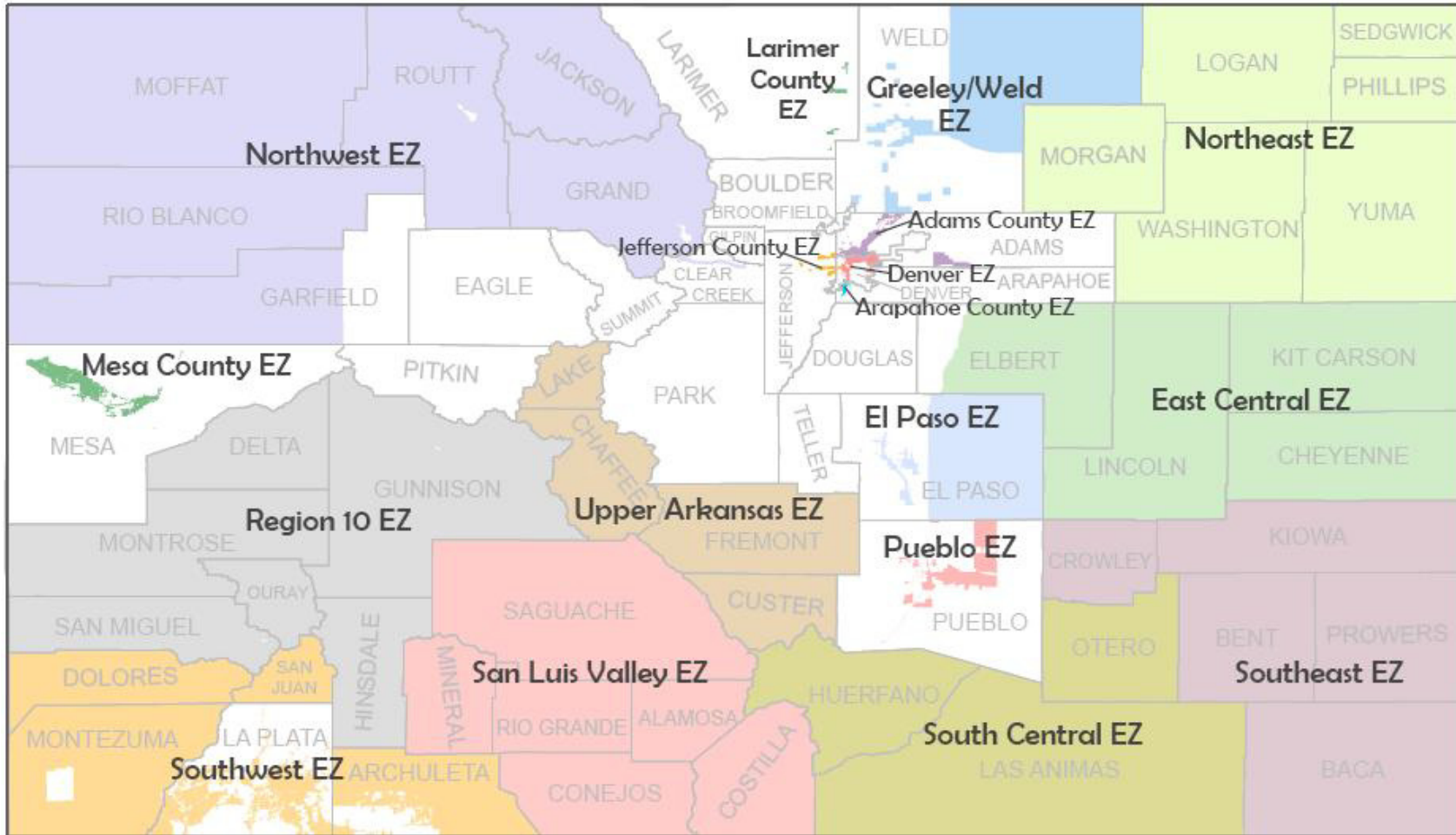
meet the requirements for the tax credit and be in the Enterprise Zone. Also, the amount that can be claimed for the EZ Investment Tax Credits is limited to \$750,000 per taxpayer per year (although this limit can be waived by the EDC). The Jobs Credit is increased from \$500 to \$1,100. The Health Insurance Credit is increased from \$200 to \$1,000. The Job Training Tax Credit is increased from 10% to 12%. And finally, the statewide boundary review is moved up from 2016 to 2014.

Map

It has been noted that a majority of the state is in an Enterprise Zone, which consists of:

- 95% of the Enterprise Zone land area is in rural areas made up largely of vacant and agricultural land with only 5% of the Enterprise Zone in urban areas.
- On average, about 2.9% of businesses in the state are in the Enterprise Zone earning tax credits.
- The overall size of the zone is largely unchanged since the early '90s. To date, the General Assembly has determined that it is important to provide additional economic development support in these areas by creating a positive business climate with incentives for investment and the creation and retention of jobs.

(See map on next page)



Areas shaded in color represent the state's Enterprise Zones. For a detailed map, visit www.advancecolorado.com/ezmap.

Data

This section provides data on Enterprise Zone Tax Credits organized by Enterprise Zone and organized by Industry.

EZ Tax Credits Certified by Enterprise Zone, Fiscal Year 2012												
Zone	Total # Certs	\$ ITC	\$ Jobs	\$ Ag. Proc. Jobs	\$ Health Ins.	\$ EREZ Jobs and Ag. Proc.	\$ Job Training	\$ R and D	\$ Building Rehab.	Total Business Credits	\$ Contribution Credit	Total Credits
Fiscal Year 2011-2012												
RURAL												
East Central	472	\$6,840,546	\$20,125	\$0	\$0	\$10,500	\$9,250	\$0	\$10,038	\$6,890,459	\$12,599	\$6,903,058
Northeast	1,248	\$20,250,410	\$76,864	\$11,500	\$13,317	\$100,340	\$97,034	\$5,039	\$55,733	\$20,610,237	\$121,606	\$20,731,842
Northwest	289	\$17,638,004	\$33,525	\$0	\$8,140	\$0	\$22,173	\$0	\$0	\$17,701,842	\$100,698	\$17,802,540
Region 10	460	\$2,240,428	\$127,336	\$0	\$1,450	\$250,992	\$45,158	\$160	\$1,375	\$2,666,899	\$503,525	\$3,170,424
San Luis Valley	466	\$1,722,513	\$47,769	\$937	\$2,300	\$181,552	\$9,718	\$0	\$0	\$1,964,791	\$494,487	\$2,459,278
South Central	213	\$1,492,801	\$77,715	\$0	\$3,150	\$299,660	\$27,425	\$11,421	\$0	\$1,912,172	\$756,358	\$2,668,530
Southeast	353	\$1,371,894	\$500	\$1,883	\$0	\$1,000	\$20,432	\$0	\$0	\$1,395,708	\$8,835	\$1,404,544
Southwest	404	\$9,159,137	\$66,320	\$0	\$2,400	\$113,574	\$138,869	\$2,868	\$0	\$9,483,168	\$721,972	\$10,205,140
Upper Ark	307	\$716,972	\$44,506	\$0	\$18,900	\$59,680	\$14,045	\$3,565	\$0	\$857,668	\$121,360	\$979,029
Subtotal	4,212	\$61,432,705	\$494,662	\$14,320	\$49,657	\$1,017,298	\$384,103	\$23,053	\$67,146	\$63,482,945	\$2,841,440	\$66,324,385
% of total:	65.7%	60.9%	17.2%	17.0%	13.2%	99.9%	6.8%	0.5%	7.3%	54.7%	15.1%	49.2%
URBAN												
Adams County	309	\$4,380,216	\$139,226	\$30,000	\$14,050	\$1,167	\$501,344	\$13,380	\$184,810	\$5,264,192	\$343,869	\$5,608,061
Arapahoe County	124	\$998,430	\$473,757	\$0	\$23,484	\$0	\$483,067	\$5,339	\$70,202	\$2,054,278	\$3,200	\$2,057,478
Denver	533	\$6,664,974	\$631,051	\$22,500	\$131,033	\$0	\$3,640,766	\$175,739	\$227,699	\$11,493,762	\$11,120,490	\$22,614,253
El Paso County	539	\$5,008,816	\$556,518	\$500	\$80,682	\$0	\$213,489	\$3,149,227	\$223,200	\$9,232,431	\$1,478,964	\$10,711,395
Greeley/Weld County	164	\$6,576,365	\$271,998	\$16,707	\$47,183	\$0	\$52,090	\$38,105	\$89,474	\$7,091,922	\$199,142	\$7,291,064
Jefferson County	133	\$1,731,601	\$77,968	\$0	\$3,400	\$0	\$111,513	\$15,043	\$0	\$1,939,525	\$687,292	\$2,626,817
Larimer County	123	\$835,677	\$83,437	\$0	\$3,768	\$0	\$23,199	\$77,677	\$11,294	\$1,035,052	\$1,079,501	\$2,114,553
Mesa County	163	\$680,777	\$77,750	\$0	\$16,868	\$0	\$33,039	\$8,262	\$49,384	\$866,081	\$840,655	\$1,706,735
Pueblo	115	\$12,631,155	\$61,237	\$0	\$7,200	\$0	\$208,102	\$723,421	\$0	\$13,631,115	\$217,189	\$13,848,304
Subtotal	2,203	\$39,508,011	\$2,372,943	\$69,707	\$327,668	\$1,167	\$5,266,610	\$4,206,191	\$856,061	\$52,608,358	\$15,970,303	\$68,578,660
% of total:	34.3%	39.1%	82.8%	83.0%	86.8%	0.1%	93.2%	99.5%	92.7%	45.3%	84.9%	50.8%
Year Total	6,415	\$100,940,717	\$2,867,604	\$84,027	\$377,325	\$1,018,465	\$5,650,713	\$4,229,244	\$923,207	\$116,091,302	\$18,811,743	\$134,903,045
Credits by Type as percent of:												
% of total business credit \$:		86.9%	2.5%	0.1%	0.3%	0.9%	4.9%	3.6%	0.8%	100.0%		
% of total credit \$:		74.8%	2.1%	0.1%	0.3%	0.8%	4.2%	3.1%	0.7%	86.1%	13.9%	100.0%

EZ Tax Credits Certified by Enterprise Zone, Fiscal Year 2013

Zone	Total # Certs	\$ ITC	\$ Jobs	\$ Ag. Proc. Jobs	\$ Health Ins.	\$ EREZ Jobs and Ag. Proc.	\$ Job Training	\$ R and D	\$ Building Rehab.	Total Business Credits	\$ Contribution Credit	Total Credits
Fiscal Year 2012-2013												
RURAL												
East Central	318	\$35,814,151	\$4,485	\$0	\$0	\$7,340	\$16,667			\$35,842,643	\$22,681	\$35,865,324
Northeast	899	\$5,358,757	\$31,165	\$2,000	\$0	\$11,500	\$106,475	\$0	\$51,051	\$5,560,948	\$131,790	\$5,692,738
Northwest	192	\$21,695,043	\$25,040	\$0	\$3,200	\$0	\$30,809	\$18,271		\$21,772,363	\$83,355	\$21,855,718
Region 10	251	\$1,106,696	\$68,230	\$0	\$6,400	\$91,080	\$21,264	\$237		\$1,293,907	\$514,487	\$1,808,393
San Luis Valley	429	\$1,435,146	\$42,285	\$8,000	\$800	\$168,980	\$22,939		\$51,020	\$1,729,169	\$379,182	\$2,108,352
South Central	134	\$2,243,281	\$131,240	\$0	\$24,516	\$79,320	\$33,059	\$35,060		\$2,546,476	\$115,834	\$2,662,310
Southeast	218	\$926,133	\$0	\$0	\$1,350	\$0	\$24,642	\$0		\$952,125	\$3,699	\$955,824
Southwest	363	\$7,332,242	\$63,769	\$0	\$1,200	\$24,160	\$222,309	\$4,887		\$7,648,566	\$826,398	\$8,474,963
Upper Ark	152	\$365,283	\$39,640	\$0	\$3,266	\$98,160	\$95,155		\$22,273	\$623,777	\$90,610	\$714,386
Subtotal	2,956	\$76,276,732	\$405,854	\$10,000	\$40,732	\$480,540	\$573,317	\$58,455	\$124,344	\$77,969,974	\$2,168,036	\$80,138,010
% of total:	61.6%	64.6%	12.3%	9.7%	8.4%	100.0%	7.7%	1.7%	19.1%	58.2%	20.1%	55.4%
URBAN												
Adams County	314	\$6,934,522	\$205,324	\$45,935	\$6,316	\$0	\$1,808,451	\$22,208	\$22,856	\$9,045,612	\$1,107,779	\$10,153,391
Arapahoe County	96	\$812,098	\$129,200	\$0	\$6,150	\$0	\$168,138	\$7,576	\$85,455	\$1,208,617	\$3,305	\$1,211,922
Denver	462	\$5,872,058	\$696,807	\$0	\$44,614	\$0	\$3,865,291	\$167,065	\$103,299	\$10,749,134	\$2,974,428	\$13,723,562
El Paso County	298	\$3,519,224	\$943,220	\$0	\$171,680	\$0	\$425,177	\$3,265,147	\$96,265	\$8,420,713	\$1,278,285	\$9,698,997
Greeley/Weld County	155	\$2,390,154	\$454,010	\$47,460	\$153,256	\$0	\$145,431	\$38,679	\$100,000	\$3,328,990	\$200,904	\$3,529,894
Jefferson County	134	\$676,610	\$232,811	\$0	\$9,834	\$0	\$168,223	\$21,213	\$10,338	\$1,119,028	\$553,334	\$1,672,363
Larimer County	114	\$438,928	\$135,132	\$0	\$26,252	\$0	\$12,553	\$53,556	\$96,355	\$762,775	\$1,646,543	\$2,409,318
Mesa County	133	\$540,175	\$47,540	\$0	\$7,416	\$0	\$143,820	(\$18,601)		\$720,351	\$562,563	\$1,282,914
Pueblo	134	\$20,570,066	\$55,573	\$0	\$20,868	\$0	\$87,848	(\$135,323)	\$13,088	\$20,612,120	\$291,388	\$20,903,508
Subtotal	1,840	\$41,753,835	\$2,899,617	\$93,395	\$446,386	\$0	\$6,824,932	\$3,421,519	\$527,656	\$55,967,340	\$8,618,530	\$64,585,870
% of total:	38.4%	35.4%	87.7%	90.3%	91.6%	0.0%	92.3%	98.3%	80.9%	41.8%	79.9%	44.6%
Year Total	4,796	\$118,030,567	\$3,305,471	\$103,395	\$487,118	\$480,540	\$7,398,249	\$3,479,974	\$652,000	\$133,937,314	\$10,786,565	\$144,723,880
Credits by Type as percent of:												
% of total business credit \$:		88.1%	2.5%	0.1%	0.4%	0.4%	5.5%	2.6%	0.5%	100.0%		
% of total credit \$:		81.6%	2.3%	0.1%	0.3%	0.3%	5.1%	2.4%	0.5%	92.5%	7.5%	100.0%

Fiscal Year 2012 Enterprise Zone Credits by Industry

NAICS Industry Group (by Sector)	Number of Certifications	Investment Tax Credit	Job Training Credit	NBF Jobs Credit	Ag Proc Credit	Health Insurance Credit	EREZ Credits	R&D Credit	Vacant Bldg Rehab Credit	Total Bus Credits
Agriculture (11)	2,189	\$7,027,606	\$337	\$25,720	\$1,883	\$0	\$31,680	\$0	\$0	\$7,087,226
Mining (21)	99	\$23,630,940	\$40,253	\$69,194	\$0	\$3,290	\$6,160	\$0	\$0	\$23,749,837
Utilities (30)	140	\$21,390,289	\$91,278	\$13,860	\$0	\$7,200	\$840	\$620,549	\$0	\$22,124,016
Construction (23)	268	\$609,561	\$37,498	\$135,207	\$0	\$2,000	\$137,880	\$1,583	\$118,233	\$1,041,962
Manufacturing (31-33)	464	\$11,120,399	\$425,683	\$673,039	\$81,644	\$93,884	\$365,790	\$3,430,900	\$400	\$16,191,741
Wholesale Trade (42)	165	\$704,521	\$30,213	\$60,473	\$0	\$4,600	\$0	\$5,743	\$0	\$805,550
Retail Trade (44-45)	645	\$2,388,479	\$187,499	\$401,994	\$500	\$76,069	\$188,287	\$0	\$73,440	\$3,316,269
Transportation (48-49)	362	\$9,761,192	\$3,479,111	\$92,457	\$0	\$32,068	\$2,000	\$5,157	\$0	\$13,371,985
Information (51)	408	\$7,342,296	\$5,260	\$8,835	\$0	\$5,400	\$0	\$3,768	\$0	\$7,365,559
Finance and Insurance (100)	198	\$598,731	\$128,299	\$186,025	\$0	\$102,683	\$9,320	\$0	\$0	\$1,025,058
Real Estate (53)	99	\$234,952	\$292	\$10,832	\$0	\$0	\$11,660	\$0	\$112,986	\$370,722
Services (54)	252	\$1,362,607	\$540,191	\$477,392	\$0	\$16,498	\$27,660	\$140,923	\$12,261	\$2,577,532
Management (55)	1	\$59	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$59
Administrative and Waste (56)	82	\$253,228	\$35,715	\$54,945	\$0	\$1,550	\$6,380	\$0	\$506	\$352,324
Educational Services (61)	23	\$343,254	\$17,762	\$101,480	\$0	\$8,000	\$0	\$5,339	\$19,822	\$495,657
Health Care and Social (62)	214	\$1,103,629	\$462,049	\$128,054	\$0	\$3,600	\$58,674	\$0	\$0	\$1,756,006
Arts, Ent, and Rec (71)	35	\$328,504	\$6,429	\$9,550	\$0	\$0	\$3,200	\$0	\$1,375	\$349,058
Accommodation and Food (72)	324	\$464,270	\$51,724	\$337,232	\$0	\$11,600	\$156,312	\$120	\$50,000	\$1,071,258
Other Services (81)	184	\$190,063	\$55,139	\$26,342	\$0	\$1,000	\$10,622	\$0	\$0	\$283,165
No NAICS Code Provided	263	\$12,086,134	\$55,981	\$54,973	\$0	\$7,883	\$2,000	\$15,161	\$534,183	\$12,756,315
	6,415	\$100,940,717	\$5,650,713	\$2,867,604	\$84,027	\$377,325	\$1,018,465	\$4,229,244	\$923,207	\$116,091,302

Fiscal Year 2013 Enterprise Zone Credits by Industry

NAICS Industry Group (by Sector)	Number of Certifications	Investment Tax Credit	Job Training Credit	NBF Jobs Credit	Ag Proc Credit	Health Insurance Credit	EREZ Credits	R&D Credit	Vacant Bldg Rehab Credit	Total Bus Credits
Agriculture (11)	1,629	\$5,716,967	\$82,660	\$127,745	\$9,500	\$66,950	\$11,980	\$27,430	\$1,051	\$6,044,282
Mining (21)	99	\$28,239,014	\$43,605	\$217,985	\$0	\$85,056	\$0	\$0	\$0	\$28,585,660
Utilities (30)	76	\$60,327,945	\$417,005	\$34,070	\$0	\$18,268	\$0	(\$208,120)	\$0	\$60,589,167
Construction (23)	180	\$704,006	\$32,826	\$82,825	\$0	\$12,150	\$9,340	\$0	\$0	\$841,146
Manufacturing (31-33)	353	\$9,168,251	\$367,018	\$423,077	\$85,895	\$60,066	\$157,900	\$3,335,215	\$115,884	\$13,713,306
Wholesale Trade (42)	194	\$1,329,820	\$102,144	\$144,585	\$8,000	\$11,350	\$72,000	\$12,286	\$0	\$1,680,184
Retail Trade (44-45)	763	\$2,156,290	\$66,478	\$394,948	\$0	\$55,278	\$92,940	\$5,206	\$12,113	\$2,783,254
Transportation (48-49)	208	\$3,039,698	\$5,480,489	\$68,040	\$0	\$7,816	\$1,160	\$0	\$0	\$8,597,203
Information (51)	285	\$2,668,327	\$1,268	\$726,430	\$0	\$87,788	\$0	\$222,727	\$50,000	\$3,756,540
Finance and Insurance (100)	139	\$534,872	\$77,967	\$85,505	\$0	\$3,016	\$4,340	\$0	\$0	\$705,700
Real Estate (53)	83	\$395,892	\$1,251	\$1,135	\$0	\$0	\$4,000	\$0	\$333,472	\$735,751
Services (54)	140	\$161,501	\$108,380	\$141,230	\$0	\$5,200	\$5,500	\$49,591	\$24,380	\$495,782
Management (55)	10	\$859,293	\$0	\$57,000	\$0	\$25,580	\$0	\$6,440	\$0	\$948,313
Administrative and Waste (56)	49	\$407,398	\$25,881	\$58,540	\$0	\$1,200	\$0	\$18,271	\$0	\$511,290
Educational Services (61)	13	\$100,484	\$26,268	\$73,960	\$0	\$40,400	\$0	(\$192)	\$50,000	\$290,920
Health Care and Social (62)	133	\$1,040,965	\$304,701	\$214,970	\$0	\$2,000	\$26,840	\$0	\$0	\$1,589,476
Arts, Ent, and Rec (71)	39	\$240,809	\$103,712	\$65,420	\$0	\$200	\$21,180	\$1,547	\$0	\$432,868
Accommodation and Food (72)	243	\$349,165	\$27,489	\$302,265	\$0	\$4,600	\$62,340	\$826	\$65,099	\$811,784
Other Services (81)	102	\$185,474	\$102,071	\$22,995	\$0	\$200	\$11,020	\$0	\$0	\$321,760
No NAICS Code Provided	58	\$404,398	\$27,037	\$62,746	\$0	\$0	\$0	\$8,748	\$0	\$502,928
	4,796	\$118,030,567	\$7,398,249	\$3,305,471	\$103,395	\$487,118	\$480,540	\$3,479,974	\$652,000	\$133,937,314

Employee Transfers Into Enterprise Zones

The Enterprise Zone statute requires Enterprise Zone certifiers to report the number of employees transferred to a facility in an Enterprise Zone (note: transferred employees do not qualify for tax credits since there is no gain in employment for Colorado, just relocating employees), and the average annual compensation level including benefits, of the jobs created or retained within the zone, categorized by full time permanent, part time, temporary, and contract jobs.

In 2012 and 2013, 1,418 jobs and 2,161 jobs respectively were reported as transferred to a zone facility from another location in the state. Total end-of-year employment was reported at 183,146 for 2012 and 181,635 for 2013.

Wage Data

FY 2012

Type of Employee:	Full-time	Part-time	Temporary	Contract
Avg. Annual Compensation (excluding Ag)	\$44,216	\$12,441	\$10,676	\$31,277
# Employees for whom comp. reported	139,602	39,759	1,817	1,538
Avg. Annual Compensation (Ag)	\$28,512	\$7,719	\$4,686	\$17,473
# Employees for whom comp. reported	2,513	1,019	876	170

FY 2013

Type of Employee:	Full-time	Part-time	Temporary	Contract
Avg. Annual Compensation (excluding Ag)	\$42,369	\$11,691	\$11,964	\$28,458
# Employees for whom comp. reported	131,732	43,667	2,513	997
Avg. Annual Compensation (Ag)	\$30,458	\$8,557	\$3,729	\$11,407
# Employees for whom comp. reported	4,683	1,174	1,380	138

Note: Data in this report comes from certifications that were submitted to the local EZ Administrator and reported manually or from the new online system as reported by the taxpayer, depending on the process used to receive the certification. This data represents in total what was certified as a conservative approach to tax credit liability. While efforts are made to prevent duplication, if a taxpayer amended a certification and did not identify it as an amendment, it is possible that data would be duplicative of a prior filing since these records represent all certifications. Data including any inaccuracies is reported as it was reported to the state. Due to the change in due date for reports, certain information was not available at the time this report was released. The Colorado Department of Revenue has approval and audit functions related to any EZ tax credits actually claimed on a state return.