

**Second Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 14-0273.01 Gregg Fraser x4325

**SENATE BILL 14-073**

---

**SENATE SPONSORSHIP**

**Jahn,** Grantham, Hodge, Tochtrop

**HOUSE SPONSORSHIP**

**Gerou,**

---

**Senate Committees**

Business, Labor, & Technology  
Finance

**House Committees**

---

**A BILL FOR AN ACT**

101     **CONCERNING THE STATE INCOME TAX CREDIT FOR THE**  
102             **ENVIRONMENTAL REMEDIATION OF CONTAMINATED LAND IN**  
103             **THE STATE.**

---

**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>.)*

From 2000 through 2010, there was a state income tax credit for taxpayers who conducted certain environmental remediation activities on property that was proposed for redevelopment. The bill reauthorizes the credit for a 9-year period commencing in 2014 as follows:

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.*

- ! The property can be located anywhere in the state;
- ! The remediation need not be for property that will be redeveloped;
- ! A formula for calculating the amount of the credit is specified; and
- ! The credit may be transferred by a taxpayer to a transferee who may then claim the credit.

The taxpayer seeking the credit must obtain a certificate from the department of public health and environment certifying the accuracy of the costs of the clean up and that a clean up plan has been fully implemented. The credit can be carried forward for up to 5 years.

Local governments and private nonprofit entities do not pay income taxes in the state but do incur expenses in conducting environmental remediation activities. Subject to the same terms and in the same amounts as the re-authorized credit allowed to taxpayers, the bill allows certain local governments and private nonprofit entities to transfer a portion of these expenses to transferees who may then claim the amounts as an income tax credit.

---

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

2 **SECTION 1.** In Colorado Revised Statutes, **repeal and reenact,**  
 3 **with amendments,** 39-22-526 as follows:

4 **39-22-526. Credit for environmental remediation of**  
 5 **contaminated land - definition - repeal.** (1) (a) FOR INCOME TAX YEARS  
 6 COMMENCING ON OR AFTER JANUARY 1, 2014, BUT PRIOR TO JANUARY 1,  
 7 2023, THERE IS ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED  
 8 BY THIS ARTICLE FOR ANY APPROVED ENVIRONMENTAL REMEDIATION OF  
 9 CONTAMINATED PROPERTY TO ANY TAXPAYER WHO MEETS THE  
 10 FOLLOWING REQUIREMENTS:

11 (I) THE PROPERTY WHERE THE ENVIRONMENTAL REMEDIATION  
 12 TAKES PLACE MUST BE LOCATED WITHIN THE STATE; AND

13 (II) THE TAXPAYER SEEKING THE CREDIT MUST POSSESS A  
 14 CERTIFICATE ISSUED BY THE DEPARTMENT OF PUBLIC HEALTH AND  
 15 ENVIRONMENT PURSUANT TO SECTION 25-16-306 (5) (b), C.R.S.

1 (b) THE TAX CREDIT ALLOWED IN THIS SECTION MUST NOT EXCEED  
2 FORTY PERCENT OF THE FIRST SEVEN HUNDRED FIFTY THOUSAND DOLLARS  
3 EXPENDED FOR THE APPROVED REMEDIATION, AND MUST NOT EXCEED  
4 THIRTY PERCENT OF THE NEXT SEVEN HUNDRED FIFTY THOUSAND DOLLARS  
5 EXPENDED FOR THE APPROVED REMEDIATION. A TAX CREDIT IS NOT  
6 ALLOWED FOR EXPENDITURES EXCEEDING ONE MILLION FIVE HUNDRED  
7 THOUSAND DOLLARS ON ANY INDIVIDUAL PROJECT.

8 (c) A CREDIT MUST BE FIRST APPLIED TO TAXES DUE OR  
9 TRANSFERRED TO ANOTHER TAXPAYER PURSUANT TO PARAGRAPH (d) OF  
10 THIS SUBSECTION (1) NO LATER THAN THE TAX YEAR FOLLOWING THE TAX  
11 YEAR IN WHICH THE CERTIFICATION IS PROVIDED TO THE DEPARTMENT  
12 PURSUANT TO SECTION 25-16-306 (5) (a), C.R.S. IF THE CREDIT ALLOWED  
13 BY THIS SECTION EXCEEDS THE TAX OTHERWISE DUE, THE EXCESS CREDIT  
14 MAY BE CARRIED FORWARD AND CLAIMED ON THE EARLIEST POSSIBLE  
15 SUBSEQUENT TAX RETURN FOR A PERIOD NOT TO EXCEED FIVE YEARS.

16 (d) A TAXPAYER MAY TRANSFER ALL OR A PORTION OF A TAX  
17 CREDIT GRANTED PURSUANT TO THIS SUBSECTION (1) TO ANOTHER  
18 TAXPAYER FOR SUCH OTHER TAXPAYER, AS TRANSFEREE, TO APPLY AS A  
19 CREDIT AGAINST THE TAXES IMPOSED BY THIS ARTICLE SUBJECT TO THE  
20 FOLLOWING LIMITATIONS:

21 (I) THE TAXPAYER MAY ONLY TRANSFER A PORTION OF THE TAX  
22 CREDIT THAT THE TAXPAYER HAS NEITHER APPLIED AGAINST THE INCOME  
23 TAXES IMPOSED BY THIS ARTICLE NOR USED TO OBTAIN A REFUND;

24 (II) THE TAXPAYER MAY TRANSFER A PRORATED PORTION OF THE  
25 TAX CREDIT TO MORE THAN ONE TRANSFEREE;

26 (III) FOR ANY TAX YEAR IN WHICH A TAX CREDIT IS TRANSFERRED  
27 PURSUANT TO THIS PARAGRAPH (d), BOTH THE TAXPAYER AND THE

1 TRANSFEREE SHALL FILE WRITTEN STATEMENTS WITH THEIR INCOME TAX  
2 RETURNS SPECIFYING THE AMOUNT OF THE TAX CREDIT TRANSFERRED. A  
3 TRANSFEREE MAY ONLY CLAIM A CREDIT TRANSFERRED PURSUANT TO THIS  
4 PARAGRAPH (d) IF THE TAXPAYER'S WRITTEN STATEMENT VERIFIES THE  
5 AMOUNT OF THE TAX CREDIT CLAIMED BY THE TRANSFEREE.

6 (IV) A TRANSFEROR MAY TRANSFER A CREDIT PURSUANT TO THIS  
7 PARAGRAPH (d) REGARDLESS OF WHETHER THE TRANSFEROR RECEIVES  
8 VALUE IN EXCHANGE FOR THE TRANSFER. THE TRANSFEREE MAY USE THE  
9 CREDIT TO PAY, IN WHOLE OR IN PART, THE INCOME TAX OBLIGATION  
10 IMPOSED ON THE TRANSFEREE UNDER THIS ARTICLE. THE TRANSFEREE'S  
11 USE OF A TAX CREDIT FROM A TRANSFEROR UNDER THIS SECTION TO PAY  
12 TAXES OWED IS NOT DEEMED A REDUCTION IN THE AMOUNT OF INCOME  
13 TAXES IMPOSED BY THIS ARTICLE ON THE TRANSFEREE.

14 (V) THE TRANSFEREE SHALL SUBMIT TO THE DEPARTMENT OF  
15 REVENUE A FORM APPROVED BY THE DEPARTMENT ESTABLISHING THAT  
16 THE TAXPAYER HAS SATISFIED THE REQUIREMENTS OF THIS SECTION. THE  
17 TRANSFEREE SHALL ALSO FILE A COPY OF THE FORM WITH THE  
18 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT.

19 (VI) THE TRANSFER OF A TAX CREDIT MUST OCCUR PRIOR TO THE  
20 DUE DATE IMPOSED BY THIS ARTICLE, NOT INCLUDING ANY EXTENSIONS,  
21 FOR FILING THE TRANSFEREE'S INCOME TAX RETURN;

22 (VII) A TAX CREDIT HELD BY AN INDIVIDUAL EITHER DIRECTLY OR  
23 AS A RESULT OF A DONATION BY A PASS-THROUGH ENTITY, BUT NOT A TAX  
24 CREDIT HELD BY A TRANSFEREE UNLESS USED BY THE TRANSFEREE'S  
25 ESTATE FOR TAXES OWED BY THE ESTATE, SURVIVES THE DEATH OF THE  
26 INDIVIDUAL AND MAY BE CLAIMED OR TRANSFERRED BY THE DECEDENT'S  
27 ESTATE;

1 (VIII) THE TRANSFEROR OF A TAX CREDIT TRANSFERRED  
2 PURSUANT TO THIS PARAGRAPH (d) IS THE TAX MATTERS REPRESENTATIVE  
3 IN ALL MATTERS WITH RESPECT TO THE CREDIT. THE TAX MATTERS  
4 REPRESENTATIVE IS RESPONSIBLE FOR REPRESENTING AND BINDING THE  
5 TRANSFEREES WITH RESPECT TO ALL ISSUES AFFECTING THE CREDIT,  
6 INCLUDING THE AMOUNTS EXPENDED FOR THE APPROVED REMEDIATION,  
7 THE CERTIFICATE ISSUED BY THE DEPARTMENT OF PUBLIC HEALTH AND  
8 ENVIRONMENT, NOTIFICATIONS AND CORRESPONDENCE FROM AND WITH  
9 THE DEPARTMENT OF REVENUE, AUDIT EXAMINATIONS, ASSESSMENTS OR  
10 REFUNDS, SETTLEMENT AGREEMENTS, AND THE STATUTE OF LIMITATIONS.  
11 THE TRANSFEREE IS SUBJECT TO THE SAME STATUTE OF LIMITATIONS WITH  
12 RESPECT TO THE CREDIT AS THE TRANSFEROR OF THE CREDIT.

13 (IX) FINAL RESOLUTION OF DISPUTES REGARDING THE TAX CREDIT  
14 BETWEEN THE DEPARTMENT OF REVENUE AND THE TAX MATTERS  
15 REPRESENTATIVE, INCLUDING FINAL DETERMINATIONS, COMPROMISES,  
16 PAYMENT OF ADDITIONAL TAXES OR REFUNDS DUE, AND ADMINISTRATIVE  
17 AND JUDICIAL DECISIONS, IS BINDING ON TRANSFEREES.

18 (X) ANY PERSON WHO HAS CLAIMED A CREDIT OR WHO MAY BE  
19 ELIGIBLE TO CLAIM A TAX CREDIT EITHER AS A TAXPAYER OR A  
20 TRANSFEREE MAY PETITION THE DEPARTMENT OF REVENUE TO CHANGE  
21 THE TAX MATTERS REPRESENTATIVE'S DESIGNATION. THE EXECUTIVE  
22 DIRECTOR SHALL PROMULGATE RULES SPECIFYING THE PROCEDURES FOR  
23 A CHANGE TO THE TAX MATTERS REPRESENTATIVE'S DESIGNATION WHEN  
24 THE EXECUTIVE DIRECTOR DETERMINES THAT THE TAX MATTERS  
25 REPRESENTATIVE IS UNAVAILABLE OR UNWILLING TO ACT AS THE TAX  
26 MATTERS REPRESENTATIVE. IF THE DEPARTMENT GRANTS THE PETITION,  
27 THE NEW TAX MATTERS REPRESENTATIVE SHALL SERVE IN THAT CAPACITY

1 ON AND AFTER THE DATE THE DEPARTMENT GRANTS THE PETITION.

2 (2) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
3 JANUARY 1, 2014, BUT PRIOR TO JANUARY 1, 2023, THERE IS ALLOWED TO  
4 ANY QUALIFIED ENTITY A TRANSFERABLE EXPENSE AMOUNT FOR EXPENSES  
5 INCURRED BY THE QUALIFIED ENTITY IN PERFORMING APPROVED  
6 ENVIRONMENTAL REMEDIATION. THE TRANSFERABLE EXPENSE AMOUNT  
7 MAY ONLY BE TRANSFERRED TO A TAXPAYER TO BE CLAIMED BY THE  
8 TAXPAYER AS A CREDIT PURSUANT TO THE PROVISIONS OF THIS  
9 SUBSECTION (2). THE TRANSFERRABLE EXPENSE AMOUNT IS ALLOWED TO  
10 ANY QUALIFIED ENTITY THAT MEETS THE FOLLOWING REQUIREMENTS:

11 (I) THE PROPERTY WHERE THE ENVIRONMENTAL REMEDIATION  
12 TAKES PLACE MUST BE LOCATED WITHIN THE STATE; AND

13 (II) THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT  
14 MUST HAVE ISSUED A CERTIFICATE FOR THE PROPERTY PURSUANT TO  
15 SECTION 25-16-306 (5) (b), C.R.S.

16 (b) THE TRANSFERABLE EXPENSE AMOUNT ALLOWED IN THIS  
17 SECTION MUST NOT EXCEED FORTY PERCENT OF THE FIRST SEVEN  
18 HUNDRED FIFTY THOUSAND DOLLARS EXPENDED BY THE QUALIFIED ENTITY  
19 FOR THE APPROVED REMEDIATION, AND MUST NOT EXCEED THIRTY  
20 PERCENT OF THE NEXT SEVEN HUNDRED FIFTY THOUSAND DOLLARS  
21 EXPENDED BY THE QUALIFIED ENTITY FOR THE APPROVED REMEDIATION.  
22 A TRANSFERABLE EXPENSE AMOUNT IS NOT ALLOWED FOR EXPENDITURES  
23 EXCEEDING ONE MILLION FIVE HUNDRED THOUSAND DOLLARS ON ANY  
24 INDIVIDUAL PROJECT.

25 (c) A QUALIFIED ENTITY MAY TRANSFER ALL OR A PORTION OF A  
26 TRANSFERABLE EXPENSE AMOUNT ALLOWED PURSUANT TO THIS  
27 SUBSECTION (2) TO A TAXPAYER FOR SUCH TAXPAYER, AS TRANSFEREE, TO

1 APPLY AS A CREDIT AGAINST THE TAXES IMPOSED BY THIS ARTICLE  
2 SUBJECT TO THE FOLLOWING LIMITATIONS:

3 (I) THE QUALIFIED ENTITY MAY TRANSFER A PRORATED PORTION  
4 OF THE TRANSFERABLE EXPENSE AMOUNT TO MORE THAN ONE  
5 TRANSFEREE;

6 (II) FOR ANY TAX YEAR IN WHICH A TRANSFERABLE EXPENSE  
7 AMOUNT IS TRANSFERRED PURSUANT TO THIS SUBSECTION (2), THE  
8 QUALIFIED ENTITY SHALL FILE A WRITTEN STATEMENT WITH THE  
9 DEPARTMENT OF REVENUE ON A FORM APPROVED BY THE DEPARTMENT OF  
10 REVENUE AND THE TRANSFEREE SHALL FILE A WRITTEN STATEMENT WITH  
11 THE TRANSFEREE'S INCOME TAX RETURN SPECIFYING THE AMOUNT  
12 TRANSFERRED TO THE TRANSFEREE TO BE CLAIMED AS A CREDIT. A  
13 TRANSFEREE MAY ONLY CLAIM A CREDIT PURSUANT TO THIS SUBSECTION  
14 (2) IF THE QUALIFIED ENTITY'S WRITTEN STATEMENT VERIFIES THE  
15 AMOUNT OF THE TAX CREDIT CLAIMED BY THE TRANSFEREE.

16 (III) A QUALIFIED ENTITY MAY TRANSFER A TRANSFERABLE  
17 EXPENSE AMOUNT TO BE CLAIMED AS A CREDIT BY A TRANSFEREE  
18 PURSUANT TO THIS SUBSECTION (2) REGARDLESS OF WHETHER THE  
19 QUALIFIED ENTITY RECEIVES VALUE IN EXCHANGE FOR THE TRANSFER. THE  
20 TRANSFEREE MAY USE THE CREDIT TO PAY, IN WHOLE OR IN PART, THE  
21 INCOME TAX OBLIGATION IMPOSED ON THE TRANSFEREE UNDER THIS  
22 ARTICLE. THE TRANSFEREE'S USE OF A TAX CREDIT FROM A QUALIFIED  
23 ENTITY UNDER THIS SECTION TO PAY TAXES OWED IS NOT DEEMED A  
24 REDUCTION IN THE AMOUNT OF INCOME TAXES IMPOSED BY THIS ARTICLE  
25 ON THE TRANSFEREE.

26 (IV) THE TRANSFEREE SHALL SUBMIT TO THE DEPARTMENT OF  
27 REVENUE A FORM APPROVED BY THE DEPARTMENT ESTABLISHING THAT

1 THE TRANSFEREE HAS SATISFIED THE REQUIREMENTS OF THIS SECTION.  
2 THE TRANSFEREE SHALL ALSO FILE A COPY OF THE FORM WITH THE  
3 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT.

4 (V) THE TRANSFER OF A TRANSFERABLE EXPENSE AMOUNT TO A  
5 TRANSFEREE MUST OCCUR PRIOR TO THE DUE DATE IMPOSED BY THIS  
6 ARTICLE, NOT INCLUDING ANY EXTENSIONS, FOR FILING THE TRANSFEREE'S  
7 INCOME TAX RETURN;

8 (VI) A TAX CREDIT HELD BY A TRANSFEREE'S ESTATE FOR TAXES  
9 OWED BY THE ESTATE, SURVIVES THE DEATH OF THE TRANSFEREE AND  
10 MAY BE CLAIMED OR TRANSFERRED BY THE DECEDENT'S ESTATE;

11 (VII) THE QUALIFIED ENTITY THAT TRANSFERS A TRANSFERABLE  
12 EXPENSE AMOUNT TO BE CLAIMED AS A CREDIT BY A TRANSFEREE  
13 PURSUANT TO THIS SUBSECTION (2) IS THE TAX MATTERS REPRESENTATIVE  
14 IN ALL MATTERS WITH RESPECT TO THE CREDIT. THE TAX MATTERS  
15 REPRESENTATIVE IS RESPONSIBLE FOR REPRESENTING AND BINDING THE  
16 TRANSFEREES WITH RESPECT TO ALL ISSUES AFFECTING THE CREDIT,  
17 INCLUDING THE AMOUNTS EXPENDED FOR THE APPROVED REMEDIATION,  
18 THE CERTIFICATE ISSUED BY THE DEPARTMENT OF PUBLIC HEALTH AND  
19 ENVIRONMENT, NOTIFICATIONS AND CORRESPONDENCE FROM AND WITH  
20 THE DEPARTMENT OF REVENUE, AUDIT EXAMINATIONS, ASSESSMENTS OR  
21 REFUNDS, SETTLEMENT AGREEMENTS, AND THE STATUTE OF LIMITATIONS.

22 (VIII) FINAL RESOLUTION OF DISPUTES REGARDING THE TAX  
23 CREDIT BETWEEN THE DEPARTMENT OF REVENUE AND THE TAX MATTERS  
24 REPRESENTATIVE, INCLUDING FINAL DETERMINATIONS, COMPROMISES,  
25 PAYMENT OF ADDITIONAL TAXES OR REFUNDS DUE, AND ADMINISTRATIVE  
26 AND JUDICIAL DECISIONS, IS BINDING ON TRANSFEREES.

27 (d) FOR PURPOSES OF THIS SUBSECTION (2), "QUALIFIED ENTITY"



1 MEANS A COUNTY, HOME RULE COUNTY, CITY, TOWN, HOME RULE CITY,  
2 HOME RULE CITY AND COUNTY, OR A PRIVATE NONPROFIT ENTITY THAT IS  
3 EXEMPT FROM THE INCOME TAXES IMPOSED BY THIS ARTICLE.

4 (3) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2029.

5 **SECTION 2.** In Colorado Revised Statutes, 25-16-306, **amend**

6 (5) (b) as follows:

7 **25-16-306. Approval of voluntary clean-up plan - time limits**  
8 **- contents of notice - conditions under which approval is void -**  
9 **expiration of approval.** (5) (b) If the owner is applying for the tax credit  
10 provided in ~~section 39-22-526~~ SECTION 39-22-526 (1), C.R.S., OR TO  
11 TRANSFER A TRANSFERABLE EXPENSE AMOUNT PURSUANT TO SECTION  
12 39-22-526 (2), C.R.S., the owner shall submit to the department the  
13 certification along with an application pursuant to section 25-16-303. The  
14 certification shall, in addition to certifying that the plan has been fully  
15 implemented, disclose the costs of implementation and include supporting  
16 documentation of those costs. The department shall then certify the  
17 accuracy of the costs and issue the property owner a certificate stating  
18 that the clean-up has occurred and the costs of such clean-up. The  
19 property owner may submit this certificate to the department of revenue  
20 to claim a tax credit OR TRANSFER A TRANSFERABLE EXPENSE AMOUNT  
21 under ~~section 39-22-526 (2)~~ SECTION 39-22-526, C.R.S.

22 **SECTION 3.** In Colorado Revised Statutes, 39-21-113, **add**  
23 **(17.7) as follows:**

24 **39-21-113. Reports and returns - rule - repeal.**  
25 **(17.7) (a) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,**  
26 **THE EXECUTIVE DIRECTOR MAY REQUIRE THAT SUCH DETAILED**  
27 **INFORMATION REGARDING A CLAIM FOR A CREDIT FOR THE APPROVED**

1 ENVIRONMENTAL REMEDIATION OF CONTAMINATED PROPERTY PURSUANT  
2 TO SECTION 39-22-526 AND ANY DOCUMENTATION SUBMITTED IN SUPPORT  
3 OF THE CREDIT CLAIMED BE GIVEN TO THE DEPARTMENT OF PUBLIC  
4 HEALTH AND ENVIRONMENT AS THE EXECUTIVE DIRECTOR DETERMINES IS  
5 NECESSARY IN THE PERFORMANCE OF THE DEPARTMENT'S FUNCTIONS  
6 RELATING TO THE CREDIT. NOTWITHSTANDING THE PROVISIONS OF PART  
7 2 OF ARTICLE 72 OF TITLE 24, C.R.S., IN ORDER TO PROTECT THE  
8 CONFIDENTIAL FINANCIAL INFORMATION OF A TAXPAYER, THE EXECUTIVE  
9 DIRECTOR SHALL DENY THE RIGHT TO INSPECT ANY INFORMATION OR  
10 DOCUMENTATION REQUIRED IN ACCORDANCE WITH THE PROVISIONS OF  
11 THIS SUBSECTION (17.7).

12 (b) NOTWITHSTANDING THE PROVISIONS OF THIS SECTION, THE  
13 EXECUTIVE DIRECTOR MAY PROVIDE SUCH DETAILED INFORMATION  
14 PERTINENT TO A CLAIM FOR A CREDIT FOR THE APPROVED ENVIRONMENTAL  
15 REMEDICATION OF CONTAMINATED PROPERTY PURSUANT TO SECTION  
16 39-22-526 TO TAXPAYERS, INCLUDING TRANSFEREES, WITH CASES  
17 INVOLVING COMMON OR RELATED ISSUES OF FACT OR LAW. PERSONS WHO  
18 RECEIVE TAXPAYER INFORMATION PURSUANT TO THE PROVISION OF THIS  
19 SUBSECTION (17.7) SHALL BE SUBJECT TO THE PROVISIONS OF THIS  
20 SECTION, INCLUDING THE LIMITATIONS IN SUBSECTION (4) OF THIS SECTION  
21 AND THE PENALTIES IN SUBSECTION (6) OF THIS SECTION REGARDING  
22 DISCLOSURE OF TAXPAYER INFORMATION.

23 **SECTION 4. Act subject to petition - effective date.** This act  
24 takes effect at 12:01 a.m. on the day following the expiration of the  
25 ninety-day period after final adjournment of the general assembly (August  
26 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a  
27 referendum petition is filed pursuant to section 1 (3) of article V of the

1 state constitution against this act or an item, section, or part of this act  
2 within such period, then the act, item, section, or part will not take effect  
3 unless approved by the people at the general election to be held in  
4 November 2014 and, in such case, will take effect on the date of the  
5 official declaration of the vote thereon by the governor.