



COLORADO

Department of Revenue

Taxation Division



POWERING AMERICA'S TAX EXPERTS

2/17/2026:

New and Updated Information

We'd like to call attention to additional information for the 2025 tax filing season and for tax year 2026.

Family Affordability Credit and Colorado Earned Income Tax Credit

The Family Affordability Credit is allowed for tax year 2025 but will not be allowed for tax year 2026.

The Colorado Earned Income Tax Credit (EITC) will decrease from 50% for tax year 2025 to 25% of the federal EITC for tax year 2026.

If anyone has taken these credits into account on their most recently filed withholding certificate, they should complete a new DR 0004 - Colorado Employee Withholding Certificate and file it with their employer.

Worksheet 1 of the DR 0004 does not automatically account for the Family Affordability Tax Credit or the Earned Income Tax Credit.

However, there is a line where taxpayers may reduce their withholding for any other Colorado income tax credit they expect to receive.

Colorado Child Tax Credit

For tax years 2024 and later, the Colorado Child Tax Credit is not based on the federal Child Tax Credit.

Changes made to the federal credit by H.R. 1 (commonly called the One Big Beautiful Bill Act) requiring a valid Social Security number for the taxpayer (or spouse, if married filing jointly) do not impact the Colorado Child Tax Credit.

Qualifying taxpayers who have a valid individual Taxpayer Identification Number (ITIN) may still claim the Colorado Child Tax Credit.

Colorado Promise Tuition and Fee Credit

Anyone claiming the Colorado Promise Tuition and Fee Credit should wait until at least February 15th to file their return because that is when the Department of Revenue will receive an electronic file from the Department of Higher Education identifying taxpayers who are eligible to claim the credit.

Qualified Care Worker Tax Credit

Individuals who provide care through Consumer-Directed Attendant Support Services may qualify for the new Qualified Care Worker Tax Credit, provided they satisfy all applicable requirements.

Please see [form DR 1217 - 2025 Qualified Care Worker Tax Credit](#) and its instructions for additional information.