



Colorado
Legislative
Council
Staff

HB16-1303

FINAL
FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0955
Prime Sponsor(s): Rep. Landgraf
Sen. Grantham

Date: June 2, 2016
Bill Status: Postponed Indefinitely
Fiscal Analyst: Larson Silbaugh (303-866-4720)

BILL TOPIC: REGIONAL TRANSPORTATION AUTHORITY ANNEXED VACANT LAND SALES TAX

Note: This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

This bill prevents a Regional Transportation Authority (RTA) from levying sales taxes on a business located on previously vacant property that was annexed by a non-member jurisdiction of the RTA.

Background

RTAs are formed by two or more local governments to finance, construct, operate, and maintain regional transportation systems. They are authorized to issue bonds to be repaid through several means, including motor vehicle registration fees, sales and use taxes, and visitor benefit taxes. Sales and use taxes are the primary source of RTA funding. The following five RTAs have been organized and are currently operating in Colorado:

- Roaring Fork Transportation Authority
- Gunnison Valley Transportation Authority
- Pikes Peak Rural Transportation Authority
- Baptist Road Rural Transportation Authority
- South Platte Valley Regional Transportation Authority

Property that can be included in an RTA is determined by the boundaries of member cities and counties when the RTA is created. After the RTA is created, property located within the existing boundaries of an RTA can be annexed by non-member jurisdictions and the RTA sales tax continues to be applied.

Local Government Impact

This bill will reduce sales tax collections for RTAs. RTA sales tax collections will be reduced by an amount equal to the sales taxes collected from businesses located on property that was annexed by local governments that are not members of the RTA.

Effective Date

The bill was postponed indefinitely by the House Judiciary committee on May 3, 2016.

State and Local Government Contacts

Counties Municipalities Revenue Special Districts

Research Note Available

An LCS Research Note for HB16-1303 is available online and through the iLegislate app. Research notes provide additional policy and background information about the bill and summarize action taken by the General Assembly concerning the bill.